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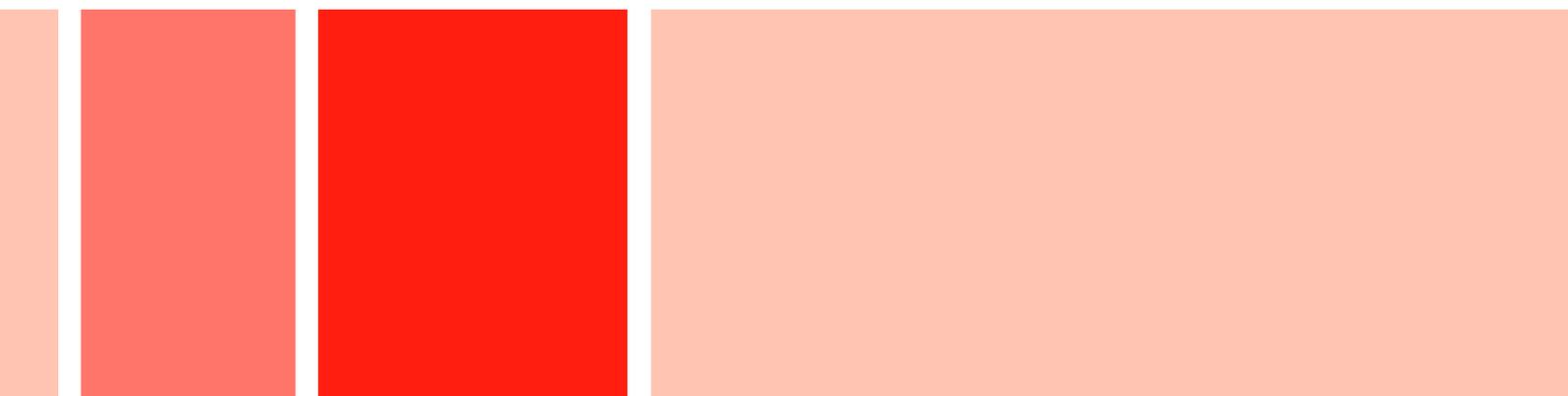
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# Evaluation of the Welsh Child Poverty Strategy Final Report



# Evaluation of the Welsh Child Poverty Strategy: Final Report

## Ipsos MORI and the New Policy Institute

Views expressed in this report are those of the researchers and not necessarily those of the Welsh Government.

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## **Glossary of acronyms**

Child Poverty Expert Group (CPEG)

Child Poverty Strategy (CPS)

Communities First (CF)

Cost benefit analysis (CBA)

Education Maintenance Allowance (EMA)

Free School Meal (FSM)

Great Britain (GB)

Households Below Average Income (HBAI)

Institute for Fiscal Studies (IFS)

Integrated Family Support Service (IFSS)

Key Stage (KS)

Local Authority (LA)

Long-acting reversible contraception (LARC)

Lower Super Output Areas (LSOAs)

Raising Achievement and Individual Standards in Education (RAISE)

Tackling Poverty Action Plan (TPAP)

Tackling Poverty External Advisory Group (TPEAG)

Tackling Poverty Team (TPT)

United Kingdom (UK)

Welsh European Funding Office (WEFO)

# 1 Introduction

1.1 In March 2012 Ipsos MORI and the New Policy Institute were commissioned by the Welsh Government to undertake an evaluation of the 2011 Child Poverty Strategy (CPS) in Wales. This final evaluation report provides a full assessment of the CPS, including reviewing the impact of Welsh Government policies and the strategies of public bodies on child poverty, and the extent to which having a strategy in place has impacted on how policy is designed, delivered and evaluated.

## Child poverty strategy

1.2 Eradicating child poverty by 2020 is a fundamental priority for the Welsh Government. Wales has a higher proportion of children living in poverty than England, Scotland or Northern Ireland, and a higher proportion than any English region outside of London. Wales also has a high proportion of children in workless households – again, much higher than Scotland and most of England. The Child Poverty Strategy of 2005 sought to remedy this, but its launch coincided with a slow-down in the economy across the UK. While the recession did not arrive until 2008, 2005 was actually the year where unemployment was at its lowest. After that, the economic conditions were much less favourable.

1.3 Following consultation work in 2010<sup>1</sup>, the Welsh Government produced its first statutory CPS in February 2011. This aimed to provide clarity about the contribution that the Welsh Government would make to reducing child poverty, as well as to set the direction for effective local delivery arrangements. It built on the original 2005 Child Poverty Strategy<sup>2</sup> and reflected a new statutory framework of the Children and Families (Wales) Measure (2010) (referred to hereafter as ‘the Measure’) which placed a duty on a wide range of Public Bodies, as well as Welsh Ministers, to develop and implement Child Poverty Strategies.

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<sup>1</sup> Consultation Document: Child Poverty Strategy for Wales, Welsh Assembly Government, May 2010; And: Consultation Document: Child Poverty Strategy for Wales Delivery Plan, Welsh Assembly Government, May 2010.

<sup>2</sup> Welsh Assembly Government, *Child Poverty Strategy for Wales* (Merthyr Tydfil, 2011), accessed online on 24 December 2013 at <http://wales.gov.uk/docs/dsjlg/policy/110203newchildpovstrategy2en.pdf>.

The Measure defined thirteen broad aims for contributing towards the eradication of child poverty<sup>3</sup>; these aims were summarised in the three overarching strategic objectives described within the CPS.

1.4 Following on from this the Tackling Poverty Action Plan (TPAP) was published in June 2012. This plan supplemented the delivery of the statutory CPS and takes a more holistic approach to poverty, of which child poverty is a part. The TPAP reinforces the three objectives of the CPS by stating that action to tackle poverty should have the following aims:

- Preventing poverty and making it less likely over the long term, by offering support earlier and sustain that support until families become resilient and self-sufficient. This includes raising aspirations; improving standards in education; increasing skill levels and reducing inequalities in health and wellbeing.
- Helping people out of poverty and to take up job opportunities and earn an income by working with partners to identify and address the causes of the gender, ethnicity and disability pay and employment differences.
- Action to mitigate the impact of poverty here and now, by offering support to improve the lived experience of poverty. This includes access to financial advice services, benefit take-up advice, support for sources of affordable credit, support to prevent fuel poverty, transport,

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<sup>3</sup> The thirteen broad aims, which are still relevant, are:

- (a) to increase income for households including one or more children with a view to ensuring that, so far as reasonably practicable, there are no households in the relevant income group;
- (b) ensuring that, so far as reasonably practicable, children living in households in the relevant income group are not materially deprived;
- (c) to promote and facilitate paid employment for parents of children;
- (d) to provide parents of children with the skills necessary for paid employment;
- (e) to reduce inequalities in educational attainment between children;
- (f) to support parenting of children;
- (g) to reduce inequalities in health between children and between parents of children (so far as necessary to ensure the well-being of their children);
- (h) to ensure that all children grow up in decent housing;
- (i) to ensure that all children grow up in safe and cohesive communities;
- (j) to reduce inequalities in participation in cultural, sporting and leisure activities between children and between parents of children (so far as necessary to ensure the well-being of their children);
- (k) to help young persons participate effectively in education and training;
- (l) to help young persons take advantage of opportunities for employment;
- (m) to help young persons participate effectively and responsibly in the life of their communities.

affordable access to the internet, and the provision of inexpensive leisure, sport, and play facilities.

- 1.5 The Welsh Government has sought to deliver the strategy through a number of mechanisms which build considerations of tackling poverty into everything they do. This includes: direct programming, placing a statutory duty on Welsh Ministers and Public Bodies to develop and implement Child Poverty Strategies, an internal Tackling Poverty Team (TPT), the Child Poverty Expert Group (CPEG) and Tackling Poverty External Advisory Group (TPEAG), the Child Poverty Solutions website<sup>4</sup> and working in partnership with other stakeholders who can bring about an influence on child poverty in Wales.

### **Evaluation scope**

- 1.6 The overarching aim of the evaluation is to understand the impact of the Welsh Government's CPS on child poverty, but also importantly what impact the existence of a strategy has made on the actions of the Welsh Government and Public Bodies to reduce child poverty. More specifically the core evaluation questions are as follows:

- Measure the effectiveness and net impact of the CPS in influencing decision making, coordinating and prioritising action across the Welsh Government and its partners (throughout the design, implementation, monitoring and evaluation of actions to address child poverty within relevant public bodies).
- Measure the effectiveness and net impact of policy and intervention delivery work aimed at reducing child poverty by Public Bodies as a result of the new public sector duty and the CPS.
- Develop an understanding of the influence that UK government policy and non devolved power levels has on child poverty in Wales and how this has constrained or enabled the impact of the Welsh Government's CPS.

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<sup>4</sup> This website ceased to operate as of 31<sup>st</sup> March 2013.

- Identify and compare the net costs and benefits (insofar as is possible) of the interventions designed to reduce poverty with alternative solutions (in the UK and beyond).
- Provide ongoing evidence and feedback as to how the impact of the strategy could be optimised.

## **Evaluation approach**

1.7 This report draws on evidence from:

- a baseline report and update report (using data available as at 14 February 2014) measuring child poverty indicators in Wales (using data available as at 14 February 2014), drawing comparisons to 2005 when the first CPS was introduced
- consultations with Welsh Government stakeholders involved in the delivery of the Strategy, or of work that is relevant to the strategy, in June-July 2013, prior to the refreshed Tackling Poverty Action Plan (this evaluation does not cover all developments that have occurred since then)
- consultations with stakeholders in Local Authorities and other Public Bodies involved in the development and delivery of their organisations' Child Poverty Strategy, in November-December 2013
- a meta-review of the effectiveness and impact of a sample of key Welsh Government programmes, selected in 2012, whose aims are relevant to the three core objectives of the CPS (performance and impact data available as at 31 January 2014 included), and of lessons learned from the evaluations of these programmes (new policies and programmes are therefore not covered by this evaluation)
- an analysis of the costs and benefits of the programmes selected for the meta-review, where such data are available.

1.8 These strands of evaluation activity have been brought together and analysed using a Theory of Change framework. The purpose of the Theory of Change is to set out a clear understanding of the nature of the strategy, the rationale (i.e. a diagnosis of “the problem” it is trying to address), and the anticipated activities, outputs, outcomes and impacts.

It provides a clear analytical framework for the evaluation, defining the data that needs to be collected, and issues that need to be considered in evaluating the CPS.

### **Methodological limitations**

1.9 As with any evaluation there are a number of methodological limitations which should be borne in mind when reviewing the findings.

1.10 **This evaluation is heavily reliant on the quality and availability of evidence captured by individual programme evaluations.** This was variable across the Welsh Government policy areas and in a significant proportion of cases the evidence relating to the impact of the programme was inconclusive or not yet available. In addition, cost data are not available, or are incomplete or unreliable in a small number of cases. This is because some of the 'programmes' analysed for this evaluation (such as the Homelessness Plan) are collations of many programmes, and therefore do not have easily identifiable costs. In some cases (for example the School Effectiveness Framework) programmes themselves are somewhat nebulous, so it is not possible to identify discrete cost data.

1.11 **There were a limited number of Welsh Government stakeholders available who could provide comment on the historical context** to the Welsh Government actions in relation to tackling child poverty. In many cases stakeholders were able to comment on the short-term only, rather than longer-term historical trends, as many have moved posts or are new to post. Stakeholders in Local Authorities and Public Bodies had generally been in post longer, and were therefore better able to comment on changes over time in policy and programming to tackle child poverty.

### **Structure of the report**

1.12 This report is structured as follows:

- **Chapter 2: Child poverty in Wales:** This chapter provides an overview of how indicators of child poverty in Wales have changed since 2005. It then explores which policy levers important to tackling

child poverty the Welsh Government controls, and which are controlled by the UK government in Westminster.

- **Chapter 3: Preventing Poverty:** This chapter reviews the effectiveness and impact of Welsh Government programming which focuses on preventing poverty.
- **Chapter 4: Helping people out of poverty:** This chapter reviews the effectiveness and impact of Welsh Government programming which focuses on helping people out of poverty.
- **Chapter 5: Mitigating the impact of poverty:** This chapter reviews the effectiveness and impact of Welsh Government programming which focuses on mitigating the impact of poverty.
- **Chapter 6: The impact of having a strategy:** this chapter reviews Welsh Government policy stakeholders' views on whether having a strategy has had an impact on the policy design, delivery or review processes.
- **Chapter 7: Review of other child poverty strategies:** This Chapter reviews child poverty strategies developed by the UK Government and the other devolved administrations, as well as London. It identifies key similarities and differences to the Wales CPS and lessons learned about the development and monitoring of child poverty strategies.
- **Chapter 8: Impact of the Measure on Local Authorities and Public Bodies:** This chapter provides a review of evidence relating to the impact of the Children and Families (Wales) Measure on the actions of Local Authorities and Public Bodies in Wales to tackle child poverty.
- **Chapter 9: Conclusions and lessons learnt:** This chapter draws together the evaluation findings to reach conclusions about the impact and effectiveness of Welsh Government, Local Authority and Public Body programming, and the extent to which having a Strategy in place had an impact on that programming. It also proposes a number of lessons for optimising the impact of the CPS.

## **2 Child poverty in Wales**

2.1 This chapter explores how child poverty in Wales has changed over time from the baseline year of 2005, when the first Welsh Child Poverty Strategy was introduced, to December 2013. The levers the Welsh Government has at its disposal to reduce child poverty are then discussed. Finally, the potential impacts of changes to the tax and benefits system on household income and labour supply in Wales, and on poverty at a UK level, are analysed.

### **Child poverty in Wales since 2005**

2.2 As part of this evaluation, a baseline study of 23 indicators of child poverty, selected in conjunction with the Welsh Government, was undertaken. The baseline year of 2005 was selected as it was the year in which the CPS was introduced. However, in many cases, most notably the income poverty measures for statistical accuracy, three years of data (2003-2005) are combined to establish the baseline.

2.3 The evaluation team has tracked these indicators, and Table 2.1 presents their level in the most recent year in which data are available, whether or not they have worsened since 2005, and a comparison to the North of England. The North of England is chosen as a close 'statistical neighbour', as at the start of the period it shared a similar child poverty rate with Wales.

2.4 The choice of 2005 as the baseline year is very important and colours many of the findings. In retrospect, 2005 was when the UK economy was at its strongest. Unemployment in Wales was never again lower than in 2005, when it was around 4.6 per cent.

Table 2.1: Child poverty in Wales and the north of England since 2005

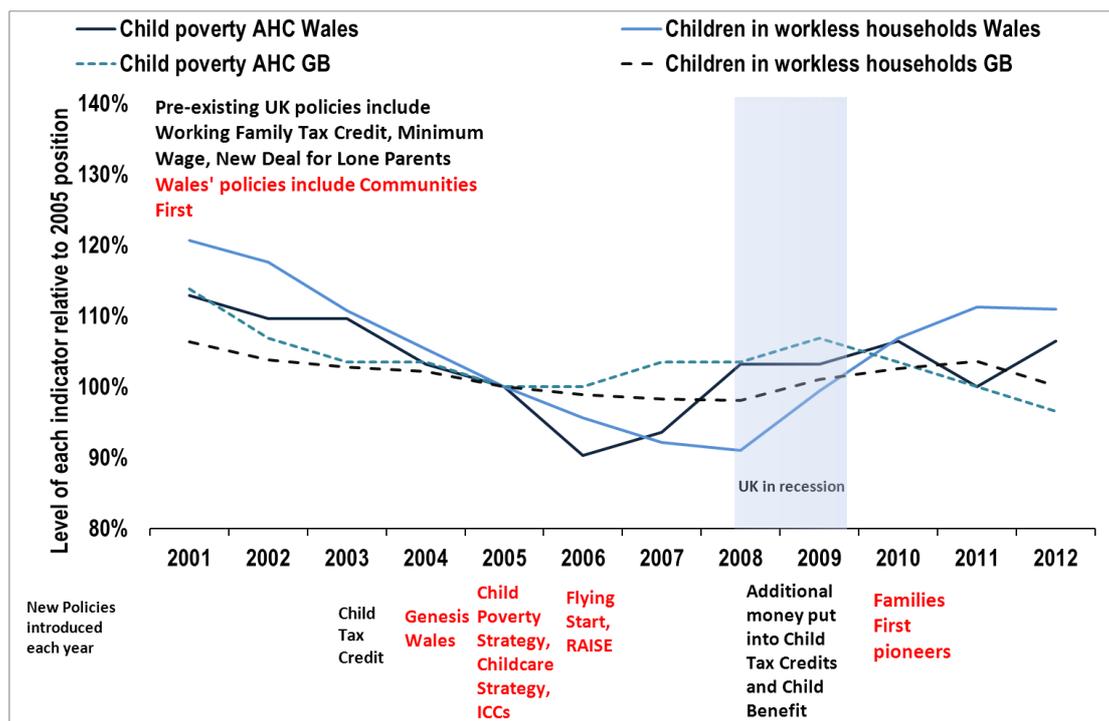
Topic	Indicator	Most recent data <sup>5</sup>	Wales: level in latest year	Wales: change since baseline year	N. England: level in latest year	N. England: change since baseline year
Income poverty	Children in relative poverty (AHC)	3 years to 2011/12	33%	Worse	30%	No change
	Children in in-work poverty (AHC)	3 years to 2011/12	24%	Worse	21%	Worse
Work and worklessness	Worklessness	2012	33%	Worse	32%	Worse
	Potential labour supply	2012	17%	Worse	17%	Worse
	Children in workless households	3 years to 2012	19%	Worse	18%	Worse
	Lone parent employment rates	3 years to 2012	54%	No change	57%	Better
	Gross hourly pay – tenth percentile value	2012	£6.30	No change	Not comparable	Not comparable
	Gross hourly pay – median value	2012	£10.10	Worse	Not comparable	Not comparable
Skills and qualifications	Attainment gap at KS2	2013	18 percent age points	Better	Not comparable	Not comparable
	Attainment gap at KS4	2013	33 percent age points	Worse	Not comparable	Not comparable
	Young adults without Level 3 qualifications	3 years to 2012	45%	No change	44%	Better
	Young adult NEETs	2012	19%	Worse	Not comparable	Not comparable
	Working age adults without Level 3 qualifications	2012	48%	Better	49%	Better
Housing and services	Homeless families in temporary accommodation	2012/13	2,500	Better	Not comparable	Not comparable
	Families with children living in overcrowded conditions	2010	23,000	No change	Not comparable	Not comparable
	Families (with children) without access to bank accounts	3 years to 2011/12	1%	Better	2%	Better

<sup>5</sup> This report includes all relevant data available as at 14 February 2014.

Health	Ratio of infant mortality between the most deprived and middle fifths	2008	1.2	No change	Not comparable	Not comparable
	Ratio of low birth weight by deprivation quintiles	2007	1.2	No change	Not comparable	Not comparable
	Ratio of five year olds with dental caries by deprivation quintiles	2007-08	1.5	Better	Not comparable	Not comparable
	Ratio of young people with dental caries by deprivation quintiles	2008-09	1.4	No change	Not comparable	Not comparable
	Under-16 conceptions by deprivation quintiles	4 years to 2008	1.7	No change	Not comparable	Not comparable
	Pedestrian injuries 5-14 year olds (hospital inpatient) by deprivation quintiles	4 years to 2008	1.7	No change	Not comparable	Not comparable
	Children who are killed or seriously injured in road accidents	2012	92	Better	Not comparable	Not comparable

2.5 Table 2.1 shows that the income poverty and work and worklessness indicators mostly got worse from 2005 to 2012, using data available to 14 February 2014. Timeline 2.1 shows changes in the child poverty rate and the proportion of children in workless households relative to their level in 2005, where they are set to 100%. Lines are shown for Wales and Great Britain (GB). The introductions of key policies are indicated on the chart but this is simply for context, to understand what was happening when. An assessment of the effectiveness and impact of these programmes on child poverty is undertaken in Chapter 3 of this report.

Figure 2.1: Trends in child poverty, children in workless households and working age unemployment, with key policy developments highlighted



Source: DWP Households Below Average Income and ONS Workless Households Statistics

- 2.6 The series for child poverty reached its lowest point in Wales in 2006. But the series for children in workless households kept falling until the recession began in 2008, whereupon it rose sharply and kept rising until 2012. Data for the first half of 2013 suggests that this trend is now (sharply) downwards although we would need at least another year's data to confirm this.
- 2.7 Between 2008/09 and 2011/12, child poverty did not rise in GB and rose only very slightly in Wales after a period of considerable fluctuation in the child poverty rate. The additional money put in to tax credits, promised in 2007 and delivered in 2008, may be responsible for this to a certain extent. Just as important, though, has been the fall in median incomes, which has resulted in the poverty line itself being lower.
- 2.8 As shown in Table 2.1, several other indicators of work and worklessness worsened between 2005 and 2013, including the overall worklessness rate, the 'broad' under-employment rate, gross hourly pay – tenth percentile value, and gross hourly pay – median value. The only

indicator in this category that did not change during this period was the lone parent employment rate. This worsening of indicators of work and worklessness is clearly linked to the worsening of overall economic conditions in the UK and the consequent rise in overall unemployment.

- 2.9 Indicators of skills and qualifications show a mixed picture, with two improving, two worsening and one not changing since 2005. There is no apparent pattern of improvement by level of education.
- 2.10 Housing conditions indicators also show a mixed picture, with fewer families now living in temporary accommodation, but no change in the number living in overcrowded conditions. More families now have access to bank accounts than in 2005.
- 2.11 Health indicators mostly show no change since 2005, with improvement only in the reduction in the number of children who are killed or seriously injured in road accidents.
- 2.12 Given that child poverty in Wales was slightly higher than in GB in 2005, and that many of the indicators have got worse since then, there is a strong rationale for Wales having a coherent strategy for tackling child poverty.
- 2.13 All of the 23 indicators measured as part of the baseline report on child poverty in Wales are discussed in more detail in the full baseline indicator report in Annex A.

### **Welsh Government levers to reduce child poverty**

- 2.14 The Welsh Government is a devolved administration within the UK. As such, while the Welsh Government controls some of the policy areas required to tackle poverty effectively, several important levers are held by the UK government. This both limits the actions the Welsh Government can take to tackle child poverty, and means that the UK government may take actions that might have an impact on child poverty in Wales.
- 2.15 Schedule 7 to the Government of Wales Act 2006 sets out the 20 policy areas, or 'subjects', over which the Welsh Government has competence. The CPS defines poverty as "a long-term state of not having sufficient resources to afford food, reasonable living conditions or amenities or to

participate in activities (such as access to attractive neighbourhoods and open spaces) that are taken for granted by others in their society.”<sup>6</sup>

Adopting this definition, the Welsh Government subjects most relevant to the tackling child poverty agenda are:

- culture
- economic development
- education and training
- environment
- food
- health and health services
- highways and transport
- housing
- local government
- social welfare
- sport and recreation<sup>7</sup>

2.16 Economic development strategies, for example, have the potential to impact on child poverty. In its Economic Renewal Plan<sup>8</sup>, the Welsh Government has committed to investing in high quality and sustainable infrastructure, making Wales a more attractive place to do business, broadening and deepening the skills base, encouraging innovation and target the business support it offers. The low level of skills in the Welsh workforce is seen to be a fundamental structural weakness of the Welsh economy, and is linked to unemployment, low wages and low productivity. Other challenges the Welsh economy faces are the lack of a major conurbation (although there is the potential to build on the projections for the rapid growth of Cardiff) and a relatively high proportion of the population being retirement age. The Welsh Government has committed to being guided partly by equity objectives in its interventions in the economy, and from a CPS perspective, this

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<sup>6</sup> Welsh Assembly Government, *Child Poverty Strategy for Wales* (Merthyr Tydfil, 2011), accessed online on 24 December 2013 at <http://wales.gov.uk/docs/dsjlg/policy/110203newchildpovstrategy2en.pdf>: 6.

<sup>7</sup> Cabinet Office and Wales Office, “The Government of Wales Acts”, *Devolution settlement: Wales* (27 February 2013), accessed online on 24 December 2013 at <https://www.gov.uk/devolution-settlement-wales>.

<sup>8</sup> <http://wales.gov.uk/docs/det/report/100705anewdirectionen.pdf>

should mean focussing on the skills development of adults with children in particular.

2.17 The Welsh Government therefore has power over a great many of the areas important to the tackling poverty agenda, in particular as related to the second and third aims in the CPS, improving the skills of parents/carers and young people to improve their employment prospects, and reducing inequalities in the range of areas affected by poverty (health and education specifically). The Welsh Government has far less control over the first aim of the CPS, reducing the number of families living in workless households, which is impacted to a greater extent by the wider economic climate and changes in economic policies in Westminster.

2.18 This is recognised in the Foreword to the CPS:

“The Welsh Assembly Government recognises that achieving this aim is also dependent upon the UK Government’s continuing contribution to eradicating poverty in the non-devolved areas of tax and welfare payments, employment support and the continued recovery of the wider economy.”<sup>9</sup> Three main powers which could influence child poverty rates in Wales but which are not controlled by the Welsh Government will be discussed: welfare policy, monetary policy and fiscal policy<sup>10</sup>.

2.19 The UK government sets **welfare policy**, or policies related to unemployment and the redistribution of wealth, for the whole of the UK. Decisions about the level of Child Tax Credits, set by the Chancellor each budget, housing benefits and other benefits, could have an impact on the number of children living in income poverty. Welfare policy also covers UK-wide programmes to help people into work, such as the Work Programme, which could help to lift children out of poverty by helping their parents into employment.

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<sup>9</sup> Welsh Assembly Government, *Child Poverty Strategy for Wales* (Merthyr Tydfil, 2011), accessed online on 24 December 2013 at <http://wales.gov.uk/docs/dsjlg/policy/110203newchildpovstrategy2en.pdf>: 3.

<sup>10</sup> The Silk Commission Part II report recommends that there be no change in powers in the area of macroeconomic policy, including the social security system <http://commissionondevolutioninwales.independent.gov.uk/files/2014/03/Empowerment-Responsibility-Legislative-Powers-to-strengthen-Wales.pdf>.

- 2.20 Another important economic policy lever, controlled neither by the UK government nor the Welsh Government, is **monetary policy**, which in the UK is controlled by the Bank of England. Having the authority to set monetary policy means two main powers: controlling the supply of money in the economy (printing money) and setting the interest rate. These tools can impact on the cost of living (through their impact on inflation), the unemployment rate and overall economic growth, and as a consequence may impact on child poverty as well.
- 2.21 The UK government controls **fiscal policy**, including decisions about taxes (except council tax and non-domestic rates, over which the Welsh Government has some influence) and government spending and borrowing. Currently, most of the Welsh Government's budget comes from a block grant from the UK government. The size of this grant is determined by the Barnett formula, whereby "the Assembly receives a population-based proportion of changes in planned spending on comparable services in England."<sup>11</sup> This means that the Welsh Government has very little control over the total amount it will spend in any given year. If the UK government decides to pursue austerity measures to try to reduce the level of the deficit, as it has done for the past four years, the Welsh Government grant will shrink similarly. The result is that the Welsh Government has to reduce spending on public services, which could result in an increase in the number of children living in poverty in Wales or a worse lived experience.
- 2.22 The other consequence of the UK government setting the overall level of government spending is that the Welsh Government cannot separately decide how it will handle recessionary periods. It cannot, for example, make the decision to increase Welsh Government spending as a fiscal stimulus to the economy (although it could reallocate spending from another part of the budget to, for example, stimulate job creation). The Welsh Government is also unable, currently, to make the decision to borrow to increase capital investment (although this is likely to change in

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<sup>11</sup> HM Treasury and Wales Office, *Empowerment and responsibility: devolving financial powers to Wales* (November 2013), accessed online on 24 December 2013 at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/259359/empowerment\\_and\\_responsibility\\_181113.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/259359/empowerment_and_responsibility_181113.pdf): 5.

the near future), meaning that it cannot, for example, embark on housing or transport infrastructure renewal programmes, except those it can afford within the limits of the block grant approved by the UK Parliament<sup>12</sup>.

2.23 There are plans to devolve more fiscal powers to Wales, as set out in an HM Treasury and Wales Office document of November 2013<sup>13</sup>. The Commission on Devolution in Wales (Silk Commission) made key recommendations, already accepted by the UK Government, including giving the Welsh Ministers the power to borrow for capital investment, devolving landfill tax and stamp duty land tax in Wales, and providing for a referendum to take place so that people in Wales can decide whether responsibility for some of their income tax should be devolved. It is therefore possible that in the future Wales will have greater authority over another key policy area for tackling child poverty. It will be important to ensure that, as greater fiscal powers are devolved to Wales, those responsible for the policy area are conscious of the impact it can have on reducing child poverty.

2.24 Finally, the UK government also has the power to develop policies relating to child poverty in the UK. UK-level policies to tackle child poverty can be traced back to 1999, when Tony Blair made a pledge to eradicate child poverty by 2020. With that were associated a range of policies including the Child Tax Credit and the New Deal for Lone Parents. Most key UK-level policies had been introduced by 2005 when the first Welsh CPS was introduced, although in February 2014 the UK government published a new draft Child Poverty Strategy which is currently the subject of consultation<sup>14</sup>. The key aims set out in the draft UK Child Poverty Strategy are:

- Support families into work and increase their earnings

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<sup>12</sup> HM Treasury and Wales Office, *Empowerment and responsibility: devolving financial powers to Wales* (November 2013), accessed online on 24 December 2013 at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/259359/empowerment\\_and\\_responsibility\\_181113.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/259359/empowerment_and_responsibility_181113.pdf): 6.

<sup>13</sup> *Ibid.*

<sup>14</sup>

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/285387/Cm\\_87\\_82\\_Child\\_Poverty\\_Strategy\\_Consultation\\_Print.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/285387/Cm_87_82_Child_Poverty_Strategy_Consultation_Print.pdf)

- Improve living standards
- Prevent poor children becoming poor adults through raising their educational attainment

### **The potential impact of UK-wide welfare reforms**

2.25 The changes to the welfare and benefits systems proposed by the UK Government between 2010 and 2012 have been described as “the most significant change in the structure of the welfare system since the 1940s”<sup>15</sup>. By 2014-15, the UK Government will implement around £21 billion of cuts to annual welfare spending. It also began roll-out of the Universal Credit, a single integrated benefit to replace six types of means-tested benefit.

2.26 The Institute for Fiscal Studies (IFS) has estimated that, if no one changes their behaviour in response to the reforms, these changes will be equivalent to a loss of income of about £6.40 per family per week on average in Wales, or approximately 1.5 per cent of their net income<sup>16</sup>. The welfare reforms analysed by the IFS include announcements made up to and included in the 2012 Budget. Additional welfare cuts announced since then mean losses will be higher. The IFS will be updating this analysis, which is expected to be published in June 2014. It is important to note that the above figures are calculated by the dividing the total loss in benefit and tax credit in entitlements in Wales by the number of families. This is a different measure to the losses for those directly affected by the welfare reforms. Losses for those affected are estimated to be over £3,500 per annum (or £70 per week) as a result of certain reforms in isolation<sup>17</sup>. For those affected by multiple reforms, losses could exceed this amount.

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<sup>15</sup> Stuart Adam and David Phillips, An ex-ante analysis of the effects of the UK Government's welfare reforms on labour supply in Wales (London: Institute for Fiscal Studies, 2013), accessed online on 7 April 2014 at <http://www.ifs.org.uk/comms/r75.pdf> : 1.

<sup>16</sup> *Ibid.*

<sup>17</sup> Welsh Government (2014), Analysing the impact of the UK Government's welfare reforms in Wales – Stage 3 analysis. Part 2: Impacts in local authority areas. <http://wales.gov.uk/topics/people-and-communities/welfare-reform-in-wales/publications/analysingreforms/?lang=en>

- 2.27 Looking more closely at how different family types and those at various levels of the income distribution are affected, the largest average losses are anticipated to be experienced by “non-working families with children, who lose both from Universal Credit (if they have significant unearned income, such as from savings or spousal maintenance) and from the wider benefit cuts.”<sup>18</sup> Across the income distribution, the biggest average losses are experienced by low-to-middle income families.
- 2.28 The IFS goes further to analyse the effects of these changes on financial incentives to work, to anticipate the impact of the reforms on labour supply in Wales. The authors find that the entire package of reforms “strengthen the incentive for families to have someone in work, but weaken the incentive for couples to have both partners in work”<sup>19</sup>, compared to the 2010 baseline. Whilst the reforms increase the incentives for most families to increase their earnings, including those on low incomes, they decrease the incentives for a small number of households with very low earnings (less than £7,000 per year)<sup>20</sup>.
- 2.29 Overall, the reforms are expected to result in a small increase in the number of lone mothers in employment, and a small decrease in employment among couples with children. The incentives are such that families are encouraged to have someone in work, so the number of workless households may decrease, but are dissuaded from having two earners, so the number of single-earner households may increase.
- 2.30 The report concludes that “The UK coalition government’s welfare reforms strengthen financial work incentives a little, on average, and correspondingly the effect of the reforms on employment, hours of work and earnings in Wales looks likely to be positive but small.”<sup>21</sup>
- 2.31 The IFS has not analysed the impact that these welfare changes might have on poverty at the aggregate level. However, they have assessed the combined impact of the tax and benefit changes on poverty at a UK

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<sup>18</sup> *Ibid.*

<sup>19</sup> *Ibid.*, 2.

<sup>20</sup> *Ibid.*

<sup>21</sup> *Ibid.*, 6.

level<sup>22</sup>. Compared to 2011-12, child poverty is projected to be 3.7 percentage points (or 500,000) higher using the relative low-income measure and 4.6 percentage points (or 600,000) higher using the absolute low-income measure in 2014-15 than in the absence of reforms. In the long-run, the IFS projections show the poverty-reducing effect of the introduction of Universal Credit being outweighed by the impact of other reforms, in particular the switch to CPI indexation of most working-age benefits. In 2020-21, child poverty is projected to be 4.4 percentage points (600,000) higher using the relative low-income measure and 6.0 percentage points (900,000) higher using the absolute low-income measure as a result of the tax and benefit changes.

## Summary

- 2.32 Child poverty in Wales is now higher than it was in 2005. This is driven in large part by a steep rise in the proportion of children in working families who are in poverty. The choice of 2005 as a baseline year has an impact on the results.
- 2.33 Most of the other indicators of work and worklessness also worsened between 2005 and 2013, except the lone parent employment rate which remained unchanged<sup>23</sup>. Indicators of skills and qualifications and housing indicators show a mixed picture of improvement, while health indicators have mostly remained unchanged since 2005.
- 2.34 While the Welsh Government controls many of the levers it needs to tackle child poverty effectively at a local level, it lacks control over key aspects of macro-economic policy which are likely to influence child poverty rates. These include welfare policy, monetary policy and fiscal policy, though some devolution of the latter is on the horizon.
- 2.35 The UK Government is currently implementing significant reforms to the welfare system. These slightly increase the financial incentives to work,

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<sup>22</sup> James Browne et al, Child and working-age poverty in Northern Ireland over the next decade: an update (London: Institute for Fiscal Studies, 2014)

<http://www.ifs.org.uk/publications/7054>

<sup>23</sup> The lone parent employment rate may have been influenced by the changes to lone parent obligations under Income Support between November 2008 and May 2012

<https://www.gov.uk/government/publications/lone-parent-obligations-an-impact-assessment-rr845>.

on average, and may result in small, positive impacts on employment, hours of work and earnings in Wales. At a UK level, compared to 2011-12, child poverty is projected to be 3.7 percentage points (or 500,000) higher using the relative low-income measure and 4.6 percentage points (or 600,000) higher using the absolute low-income measure in 2014-15 than in the absence of the tax and benefit reforms.

### **3 Preventing poverty**

#### **The CPS and associated key programmes**

3.1 Over the years, the Welsh Government has initiated a large number of programmes contributing to the aim of reducing child poverty, each with their own objectives and target audiences. The TPAP grouped these programmes by the tackling poverty objective they seek to address:

- Preventing poverty and making it less likely over the long term, by offering support earlier and sustaining that support until families become resilient and self-sufficient.
- Helping people out of poverty and to take up job opportunities and earn an income by working with partners to identify and address the causes of the gender, ethnicity and disability pay and employment differences.
- Action to mitigate the impact of poverty here and now, by offering support to improve the lived experience of poverty.

3.2 Chapters 3, 4 and 5 in this report review evidence on the effectiveness and impact of Welsh Government programming against each of these objectives. The review of programming delivered under the TPAP objective Preventing Poverty, is summarised in the remainder of this chapter.

#### **Welsh Government actions to prevent poverty**

3.3 Preventing poverty in the next generation is about 'investment in giving children the best possible start in life. From conception through to early adulthood, the Welsh Government's aim is to reduce inequality at the earliest possible stage and break the link between socio-economic disadvantage, educational under achievement and the impaired life chances that flow from these'<sup>24</sup>.

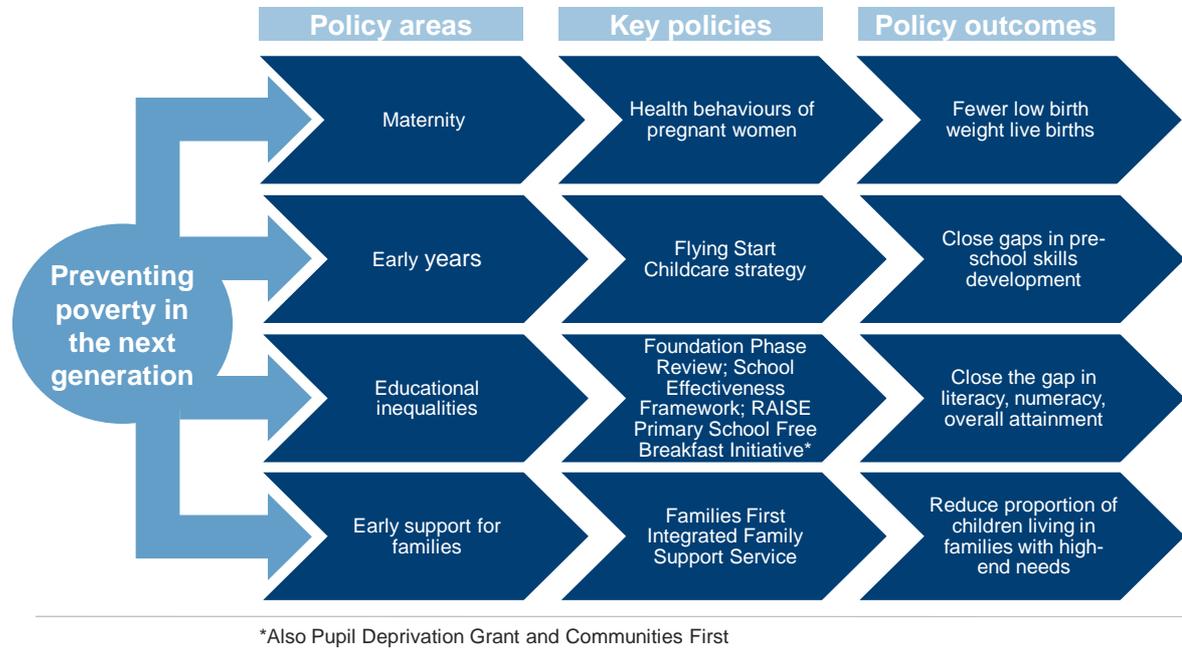
3.4 Key policies delivered by Welsh Government in this area, and the key themes they should address, are summarised in the figure below. The policies in this area aim to: improve maternal health, provide support and

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<sup>24</sup> <http://wales.gov.uk/docs/dsjlg/publications/socialjustice/120625tackpovplanen.pdf>

services to young children, address educational inequalities, and provide early support.

Figure 3.1: How key policies contribute to preventing poverty in the next generation



Source: Ipsos MORI

3.5 In addition to policy delivery, the Welsh Government is engaged in other activity that will help to make progress towards preventing poverty in the next generation. This includes a mandate on public bodies which requires them to include child poverty-related goals within their child poverty strategies and action plans, to ensure that child poverty-related activity happens at all levels of government and across services<sup>25</sup>. The Tackling Poverty Division and the Communities Division within the Welsh Government take responsibility for promoting this agenda by liaising with and lobbying the Third Sector, the UK Government and Employers. The CPEG had a role in identifying priorities and challenges that need to be addressed to tackle child poverty and providing advice to Ministers. Group members undertook an analysis of the 2009 Households Below Average Income (HBAI) Figures and have specifically considered two reports published by the Joseph Rowntree

<sup>25</sup> The impact of this statutory duty is discussed further in Chapter 7.

Foundation: What is needed to end child poverty in Wales (Winckler)<sup>26</sup> and What is needed to End Child Poverty in 2020 (Hirsch)<sup>27</sup>.

3.6 A range of stakeholders can influence the outcomes that are of key importance in preventing poverty. The stakeholders with the greatest potential influence in preventing poverty are the Welsh Government and Welsh Public Bodies (including Local Authorities).

3.7 There are a number of assumptions inherent in the design for programmes in place in this area.

- **Programmes use early intervention models.** The 'early intervention' terminology can be applied in two ways, both of which describe programming in this area. First, programmes focus on children's early years which are seen as a finite period for key skills development: addressing inequalities in the early years of children's lives are seen as key to closing the attainment gap.<sup>28</sup> Second, programmes aim to intervene early to support families' needs, before they escalate into more complex issues that are more costly to address. These programmes are predicated on the assumption that early intervention will be more effective and more cost-effective than trying to remedy entrenched problems; this 'invest to save' model is evident across Welsh Government programming.

- **The programmes use a mix of universal services and targeted support.** Universal services include statutory education provision, while targeted support focuses on disadvantaged groups. This targeting takes a number of forms, including geographical targeting, and targeting of specific risk groups. The assumption underlying programmes is that a mix of targeted and universal services will help to address the priority policy objectives in this area.

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<sup>26</sup> <http://www.jrf.org.uk/sites/files/jrf/end-child-poverty-wales-summary.pdf>

<sup>27</sup> [http://www.jrf.org.uk/sites/files/jrf/2275\\_0.pdf](http://www.jrf.org.uk/sites/files/jrf/2275_0.pdf)

<sup>28</sup> <http://www.dwp.gov.uk/docs/early-intervention-next-steps.pdf>

## **Effectiveness and impact of Welsh Government actions to prevent poverty**

3.8 For the purposes of the evaluation, the evaluation team and the Welsh Government took a selection of key programmes that will contribute towards preventing poverty in the next generation for assessment of effectiveness and impact. The following programmes were selected:

- Cymorth
- Families First
- Flying Start
- Integrated Children's Centres
- Integrated Family Support Service (IFSS)
- Primary School Free Breakfast Initiative
- Raising Achievement and Individual Standards in Education (RAISE)
- School Effectiveness Framework

3.9 The programmes were selected as being those which were likely to make the most significant contribution to child poverty-relevant indicators in this area, and to give a spread of programmes across the main outcome areas as outlined in Figure 3.1. The evaluation team reviewed the evidence available about the implementation and impact of each programme. A number of these programmes relate to the Welsh Government's first Child Poverty Strategy published in 2005. A description of all the programmes reviewed can be found in the Annex and a summary is included in Table 3.1.

Table 3.1: Summary of programme features: preventing poverty in the next generation

<i>Programme</i>	<i>CPS-relevant outcomes?</i>	<i>Targeting</i>	<i>Scale of problem/ programme</i>	<i>Cost of programme</i>	<i>Timeframes for programme</i>	<i>Key outcomes / impact</i>
<b>Flying Start</b>	Yes: child outcomes covering cognitive and physical skills development.	All families with children aged 0-3 in the 140 most deprived areas of Wales	About 1 in 3 Welsh children live in low-income families, and these children have relatively poor outcomes across health and education indicators. Flying Start targets families in 140 areas (18,000 children), to be expanded to 286 areas (36,000). Between 1 April and 31 December 2012, 19,171 children aged 0 - 3 years received health visitor Flying Start services, 3,113 children aged 2 or 3 years who were newly eligible for full or reduced offers of childcare took up their offers.	£74m per year + £19m for capital spending in 2013.	From 2006/07, and ongoing.	<p>Too early to establish longer term impacts. Lack of baseline data or robust comparison group means there is uncertainty about the impact of the programme.</p> <p>Some evidence that Flying Start may improve educational outcomes for children, does lead to positive changes in parental behaviour.</p> <p>76.3 per cent of children living in areas which benefit from Flying Start, who reached their 4th birthday between 1 April 2011 and 31 March 2012, were fully up to date with their immunisations by their 4th birthday.</p> <p>62.6 per cent of Flying Start children, aged between 35 and 37 months and who were assessed between 1 April and 31 December 2012, have been assessed by Health Visitors as having met or exceeded the developmental norms for this age.</p>
<b>Integrated Children's Centres</b>	Yes. Early years education and support for families.	Geographically targeted in Cymorth areas.	Currently 44 ICCs in 22 LAs.	Initial capital costs £12m. (Funded via Cymorth)	2008 and ongoing	<p>There is limited evidence of ICC's having systems that gather comprehensive quantitative data to monitor and evaluate their work. Based on qualitative data:</p> <p>As a result of participating in activities that are based at the centres, children who attend the ICCs have enhanced social and cognitive skills.</p> <p>Participating in education and training courses at the ICCs has led to parents gaining qualifications and employment. The childcare provision at the centres enables many parents to attend education and training courses.</p> <p>Parents and families that visit ICCs feel that their physical and psychological health has improved as a result of participating in activities and health awareness projects that are held at the centres.</p> <p>Parents and families using the ICCs benefit from greater access to services through the location of a variety of activities, organisations and services within one ICC.</p>
<b>School Effectiveness Framework (SEF)</b>	Yes. Reducing educational attainment gap.	Universal	All schools benefit. Attainment gaps between e-Free School Meal (FSM) and non-FSM pupils were 20 percentage points (KS2) and 34 percentage points (KS4) in	Not available	2008-2011	The 2010 evaluation of the pilots does not include any quantitative assessment of outcomes/impact. The evaluation states that it is "too early to judge the impact of the pilots" but that they are expected to contribute to the Welsh Government's goals of 'Tackling poverty of educational opportunity and raising standards in

			2011.			schools” and “Developing the skills and knowledge of our learning workforce”. They have also strengthened the emphasis upon schools’ role in promoting children and young people’s well-being.
<b>Raising Achievement and Individual Standards in Education (RAISE)</b>	Yes. Attainment at Key Stage (KS) 1-4	Schools with high proportion (20%+) of e-FSM pupils	Over 600 schools participated. Attainment gaps between e-FSM and non-FSM pupils were 20 percentage points (KS2) and 34 percentage points (KS4) in 2011.	£14.5m each year for years 1 and 2. 2008-09: £16.26m 2009-10: £6.59m 2010-11: £1.03m + £1m p.a. for LAC	Initially 2 year programme from 2006/07. Extended to 2010-11.	Some evidence that RAISE was having an impact on attainment of pupils eligible for FSMs at KS2: the gap between the performance of FSM pupils in RAISE and those in non-RAISE schools fell from 10.2 percentage points to 4.4 percentage points over the period 2006-2008.
<b>Primary School Free Breakfast Initiative</b>	Yes. Outcomes relating to diet impact on cognitive skills development and attainment.	All children in maintained primary schools in Wales. (Only Communities First areas in first year.)	More than three quarters of schools participate. Attainment gaps between e-FSM and non-FSM pupils were 20 percentage points (KS2) and 34 percentage points (KS4) in 2011.	£12.7m in 2012-13	Started 2005, ongoing	Children in intervention schools ate a greater number of healthy items for breakfast than children in control schools, with larger increases observed in more deprived schools.  Despite no main effects on breakfast skipping, a significant interaction was observed, indicating declines in breakfast skipping in more deprived schools and households.
<b>Cymorth</b>	Yes. Outcomes include family support, and training and mentoring to reduce NEETS	Geographic, and targeted by need. Children 0-25	890 local programmes run. Nearly 1 in 4 16-24 year olds are NEET.	Total £235m from 2003/04 – 2008/09. £50m per year subsequently.	2003/04 – 2011/12 (replaced by Families First)	Cymorth achieved its role in improving local partnership working in support of services for disadvantaged children and young people, helped to put preventative services in place and on the agenda of the mainstream service providers, and introduced innovative ways of working.  There has only been a limited number of attempts to demonstrate the extent to which the Partnerships and their Cymorth funded projects improved the outcomes for children and young people.
<b>Families First</b>	Yes: outcomes include employment for those in low-income families, and children in poverty achieving their potential.	Geographic (focussed on Communities First areas) and families living in poverty	Covers all 22 LAs. Nearly 1 in 4 16-24 year olds are NEET.	£42m per year for 5 years	Pioneer areas from 2010. National roll out from 2012.	Evidence on outcomes for families is not yet available. The evaluation does, however, highlight some early benefits from the programme: The JAFF helps to engage families more effectively and improve the effectiveness of agencies’ work. TAF panels are seen as more responsive compared with prior arrangements for assessing family needs. Better multi-agency working means more effective support for families with multiple needs as well as better use of local resources.
<b>Integrated Family Support Service (IFSS)</b>	Yes. Aims to strengthen families, and to tackle poorer outcomes associated with children in care.	Geographic, and targeted by need.	2008 Hidden Harm report estimates 17,500 CYP affected by parental drug misuse. Target of supporting 270 families per year. Available in 13 Local Authorities. Due to operate across the whole of Wales by 2014.	£4.5m will be made available when rolled out nationally.	Piloted from 2010. National roll-out 2011-14.	Some evidence of impact on the well-being of the adults in families supported through IFSS, with mean scores on the Warwick-Edinburgh Mental Well-being Scale (WEMWBS) increasing from 45.13 before the intervention to 51.44 after.  There is also evidence of a small improvement in children’s behaviour, based on self-completed Strengths and Difficulties Questionnaires. Goal Attainment Scale data also indicates a significant

						amount of success is achieved during the initial intensive phase across all sites, followed by a more 'steady' performance between the end of the intensive phase and the six month review.
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### *Features of programmes focused on tackling poverty*

- 3.10 Programmes in this area are typically working towards outcomes that are directly relevant to the Child Poverty Strategy outcomes. In particular, Cymorth and its successor programme Families First address all three of the overarching aims of the Child Poverty Strategy, and Families First's policy documents explicitly recognise that the programme is a core part of the Welsh Government's work towards meeting the Strategy's goals. Its aims include ensuring that children achieve their full potential, and ensuring that families are 'nurturing, resilient and safe'.
- 3.11 The School Effectiveness Framework (SEF) aims to tackle the educational attainment gap (as did RAISE, now replaced by the Pupil Deprivation Grant). SEF emphasises the importance of literacy and numeracy skills among children, but also places a large emphasis on governance (including effective management across national/local/school levels, and the role of local communities and families in achieving positive outcomes for children). The Primary School Free Breakfast Initiative is indirectly related to these outcomes, in that it aims to improve dietary behaviour which should impact on children's cognitive development and academic attainment.
- 3.12 The IFSS – like Flying Start, Families First and Cymorth – is a form of early intervention programme, although it is targeted at at-risk families. It aims to enable children to stay in the family, rather than enter care, on the assumption that their longer-term outcomes will be better if they remain in the family.

### *Targeting*

- 3.13 Programmes in this area often use a mix of geographical and individual targeting. Flying Start is focussed in specific geographical areas and offered to a target group of beneficiaries. Flying Start targets all parents of 0-3 year olds in the most deprived Lower Super Output Areas (LSOAs) of Wales. The targeting of services for Families First is determined locally but should be directed at families with needs that do not require statutory services. Within education policy, there has also

been some individual targeting (e.g. RAISE and its successor programme the Pupil Deprivation Grant which focus on children eligible for Free School Meals), although there is evidence that this has been prone to leakage, with funds diverted to under-achievers rather than deprived children<sup>29</sup>. A few education programmes are universal, including the Primary School Free Breakfast Initiative, and the School Effectiveness Framework.

### *Scale*

- 3.14 The Flying Start programme is by far the largest under this strand, and yet it is evident that it reaches a relatively small proportion of families living in poverty in Wales.
- 3.15 Since the programmes were selected for this review, it is clear that the issue of educational inequalities is now far higher on the agenda, and a raft of policies designed to close the attainment gap have recently been introduced: new initiatives include the Foundation Phase, the National Literacy and Numeracy Programmes, the School Effectiveness Grant, the Pupil Deprivation Grant, and the Improving Schools Plan. Formerly, a relatively low-cost initiative (RAISE) was in place to tackle a large and persistent attainment gap. In the past, schools were incentivised to hit overall attainment targets ('raising the bar and closing the gap') which in some senses diverted the focus away from closing the attainment gap, which served to limit the impact of the CPS agenda in this area. However, recent developments show an increased focus on improving attainment amongst disadvantaged children the most.
- 3.16 The IFSS targets a relatively small proportion of the families estimated to have problems with substance abuse: this may to some extent reflect that the programme is targeted at those with extreme needs.

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<sup>29</sup> This was the conclusion of the RAISE evaluation. The Pupil Deprivation Grant guidance for schools is much more explicit that the grant should be used to fund initiatives for e-FSM pupils and LACs only. New guidance issued in December 2013 states that "The PDG must only be used to improve attainment for e-FSM and LAC learners." (<http://wales.gov.uk/docs/dcells/publications/131216-pdg-short-guidance-for-practitioners-en.pdf>) However, early evaluation evidence from the Pupil Deprivation Grant suggests that the grant is used to target pupils more widely than e-FSM alone.

*Cost and timing*

- 3.17 Across the programmes evaluated, the three early years/early intervention programmes – Flying Start, Families First and Cymorth – account for large parts of the expenditure. This reflects evidence that children’s early years are a finite period of time for essential skills development, and that investments here are more cost-effective than later interventions.
- 3.18 The evidence relating to the impact of the largest policies under this strand is starting to become available. For example a baseline report for Families First was released in 2013 and an impact report for Flying Start was published in late 2013. The evaluation evidence from Flying Start indicates positive impacts on service design and uptake, and a good reception among beneficiaries<sup>30</sup>. It also concludes that it is *possible* that Flying Start has had a positive impact on parent and child outcomes however this evidence was not conclusive.

“Assuming that families living in Flying Start areas started from a lower ‘base’ than those in the comparison group before the programme was introduced, the lack of difference between the two groups in this report suggests that Flying Start may have brought about improvements among the families in Flying Start areas (in the most disadvantaged areas in Wales), so their outcomes are now on a par with those in less disadvantaged comparison areas. There is, however, very limited data which provides conclusive evidence that families in Flying Start areas before the programme started from a lower baseline position for the outcomes measured in this evaluation. The data which is available, for example, educational attainment data, suggests that this explanation is plausible.”

*Flying Start Impact Evaluation Report (January 2014)*

- 3.19 In any case, evaluations urge a longer-term view of the impact of programmes such as Flying Start whose impacts may take time to

<sup>30</sup> <http://wales.gov.uk/docs/caecd/research/2014/140131-flying-start-synthesis-report-en.pdf>

realise. Likewise, the full evaluation of Families First is at an early stage, although earlier evidence from the predecessor Cymorth programme suggests it had positive impact on service design.

#### *Evidence of effectiveness and impact*

- 3.20 There is a culture of evaluation in children and families, and health programming, and there is strong evaluation evidence for a number of policies, including a large quasi-experimental impact evaluation of Flying Start (albeit with some weaknesses due to programme design) and a Randomised Controlled Trial to measure the impact of the Primary School Free Breakfast Initiative. Four other evaluations use (or are aiming to use) routinely-collected administrative data in order to measure impact, alongside qualitative and quantitative assessments of implementation. Value for money analysis is more limited, though, and is being carried out only for Families First. The coverage of evaluations tends to be strong or moderately strong, encompassing a range of outcome measures and with good programme coverage. Programmes in this area use outcome measures that link directly to the Child Poverty Strategy aims. Families First is promoted as being particularly significant in achieving the Strategy's goals, having been designed to address the needs of the Strategy under all three outcomes strands.
- 3.21 The lack of baseline data or a robust comparison group means there is uncertainty about the impact of the Flying Start. Evidence from the evaluation suggests that Flying Start may have played a role in helping children achieve parity in terms of education outcomes with their better-off peers<sup>31</sup>. The evaluation also found "measurable and positive changes in parental behaviour", with the greatest improvements being in discipline and boundary setting<sup>32</sup>. "The longitudinal study found no statistically significant differences between Flying Start and non-Flying Start areas in parental confidence, the home environment, levels of parental support or depression, however, this may simply reflect the lack of pre-Flying Start data on parental outcomes, which means that it is not

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<sup>31</sup> <http://wales.gov.uk/docs/caecd/research/2014/140131-flying-start-synthesis-report-en.pdf>

<sup>32</sup> *Ibid.*

possible to measure the extent of change that may have taken place within Flying Start areas.”<sup>33</sup>

- 3.22 Similarly, there is some evidence that RAISE was having an impact on the attainment of pupils eligible for FSMs at KS2: the gap between the performance of FSM pupils in RAISE and non-RAISE schools fell from 10.2 percentage points to 4.4 percentage points over the period 2006-2008.
- 3.23 There is some evidence that IFSS has a positive impact on the well-being of adults and the behaviour of children in families supported through this service. The evaluation also indicates that a significant amount of success is achieved during the initial intensive phase of the programme in terms of attaining the goals families set for themselves.
- 3.24 The Primary School Free Breakfast Initiative has been found to have a positive impact on the number of healthy items children in intervention schools ate for breakfast<sup>34</sup>.
- 3.25 Programmes in this area appear to have made progress in systems change and introducing new working practices. For example, one of the great successes of the Cymorth evaluation is seen to be the establishment – from a base of very limited partnership working – of effective multi-agency partnerships. These partnerships have formed the foundations of other programmes, such as Flying Start and Families First. Likewise, the IFSS second year evaluation concludes that the service is starting to impact on wider service delivery, and the evaluation of Families First pioneers was able to identify lessons for effective delivery of services. In a similar vein, the evaluation of RAISE concluded that the legacy of the programme would be seen in raising the profile of socio-economic disadvantage among schools, and in schools’ improved understanding of how to address these issues. Other programmes have found specific examples of impact, including Flying Start (parents in

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<sup>33</sup> *Ibid.*

<sup>34</sup> Graham F Moore<sup>1</sup>, Simon Murphy, Katherine Chaplin, Ronan A Lyons, Mark Atkinson and Laurence Moore, “Impacts of the Primary School Free Breakfast Initiative on socio-economic inequalities in breakfast consumption among 9–11-year-old schoolchildren in Wales”, *Public Health Nutrition* (2013).

Flying Start areas have improved access to services, and rate services highly).

- 3.26 There is evidence that Welsh Government teams working in these areas pilot programmes in advance of their national roll-out in order to test delivery models and with the intention of assessing impact before making larger-scale investments. However, there is a need for analysts, policy officials and politicians to work closely together, with support from external experts as appropriate, to ensure evidence from these pilot programmes can be used to inform policy decisions and wider roll-out. For example, the Primary School Free Breakfast Initiative, Flying Start and IFSS were rolled out nationally before their evaluations had made conclusions about the programmes' impact in phase 1 areas.
- 3.27 Likewise, there may be value in exploring how evidence about implementation could be shared more effectively with practitioners as well as national programme teams. Several policies allow significant local flexibility in delivery, and therefore it is imperative that practitioners involved in designing and administering programmes locally are aware of what works. For example, early evidence from some evaluations in this area shows that some practitioners are unaware of evidence from pioneer phases about 'what works' in implementation. The Families First 'Learning Sets' model – which encourages delivery staff to engage in structured learning activities to share examples of good practice – is a valuable way that the Welsh Government is trying to address this issue.
- 3.28 Across the programmes under this strand, a number of themes are evidenced, as highlighted below.
- Family interventions tend to follow an 'invest to save' approach, aiming to intervene at a point before families' problems escalate and require relatively costly interventions. This principle underlies the intensive Flying Start and Families First investments, and a similar principle applies to the IFSS programme (which intervenes at a crisis point for families, but before even more costly/ relatively ineffective statutory intervention is required). While other evidence suggests this principle is sound, it is not being tested robustly in the Flying Start, Families First or IFSS evaluations. This is particularly significant in the

case of the IFSS evaluation, which does not test the central principle underlying the programme: that children's outcomes are better if they can be adequately cared for in their families rather than having to enter or spend extended periods of time in care for protection reasons<sup>35</sup>.

- There is a clear effort within several policies in this area to integrate delivery with complementary programmes. For example, schools can apply for Communities First Matched Funding for the Pupil Deprivation Grant: the matched funds are available where schools can demonstrate that they will use the grant to involve the local community in children's education and work as part of a school cluster. The use of the grant in this way advances the aims of both policies: while evidence shows that community involvement in children's education and cluster working of schools is effective, these practices are fairly limited at present. The evaluations of these programmes will need to investigate the extent to which offering additional matched funds has stimulated the use of evidence-based approaches.
- Similarly, the guidance for Families First encourages local authorities to link its delivery to programmes such as Communities First, and Flying Start areas also overlap with Communities First areas to some extent. By linking programmes, authorities are encouraged to provide a better quality and more seamless support for families living in the most deprived areas. However, this linking does mean that resources are increasingly channelled to particular areas and not to deprived families living in non-Communities First areas.
- While there is evidence of some individual linkages taking place across specific programmes, **a comprehensive Early Years and Childcare Plan integrated plan was published in 2013**<sup>36</sup>. The plan cuts across seven governmental departments, encompassing health

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<sup>35</sup> This recommendation was made by the preceding Option 2 evaluation, but the national roll-out of IFSS means that this assumption is no longer being tested as part of the evaluation which is now focussed on implementation lessons rather than testing impact.

<sup>36</sup> <http://learning.wales.gov.uk/docs/learningwales/publications/130716-building-brighter-future-en.pdf>

and wellbeing, parenting, families, communities, early education, education, and childcare. It aims to integrate policy for 0-7 year olds with the ultimate aims of reducing inequality and poverty; as such it complements and extends CPS activity in these areas. The plan's development involved a comprehensive review of international long-term evidence of programmes in this area. The plan was commissioned by the Department for Education and Skills and the Department of Health, but the TPT was engaged in the development of the plan. **The focus and content of the Early Years and Childcare Plan closely align with the CPS goals and provide an opportunity to enhance the effectiveness of programming in this area.** A **Youth Engagement and Progression Framework** was also published in 2013<sup>37</sup>. The framework focuses on reducing the number of young people aged 16 to 24 who are NEET, and on supporting 11 to 15 year olds who are at risk of becoming NEET. Furthermore, the **Policy Statement on Skills**<sup>38</sup>, published in January 2014, is intended to inform action on post-19 skills and employment policy over the next ten years.

- Early evaluation evidence from the programmes reviewed suggests that having a clear framework in place from the outset to clarify what practitioners/ implementation teams will be judged against is important. This is provided partly through the Programme for Government, which states the indicators that performance will be measured against, as well as the frameworks, plans and policy statements such as those mentioned above, and the performance indicators established at an individual programme level. Equally, ensuring that evaluation evidence percolates through to practitioners, and that evaluations have clear dissemination strategies to ensure evidence is shared, will also be important. Several programmes under this strand use a mix of prescription and local flexibility in delivery (e.g. Communities First, Families First, Pupil Deprivation Grant). This

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<sup>37</sup> <http://wales.gov.uk/docs/dcells/publications/131007-ye-framework-implementation-plan-en.pdf>

<sup>38</sup> <http://wales.gov.uk/docs/dcells/publications/140129-policy-statement-on-skills-en.pdf>

raises challenges about how best to monitor the models practitioners use and identify promising examples of practice.

- New educational interventions focus on raising standards of school leadership and teaching, on improving organisational structures through the introduction of regional consortia to lead and monitor progress, as well as continued targeted funding for disadvantaged children. These initiatives reflect evidence that improving standards for disadvantaged children is achieved through the school ethos, and the quality of leadership and teaching, as much as additional targeted support for children in disadvantaged circumstances. The strong focus on closing the educational attainment gap appears to have been stimulated partly through disappointing Welsh results in the 2009 international PISA assessments, but provides an opportunity for the TPT to advance its agenda in this area<sup>39</sup>.

#### *Cost / Benefit of programmes aimed at preventing poverty*

3.29 Evidence available on the costs and benefits of programming under this strand was not sufficient to enable a cost benefit analysis (CBA) to be undertaken. Conducting a CBA requires robust evidence about the impact of a programme, as well as its costs. Furthermore, the impacts measured need to have a monetisable benefit<sup>40</sup>. In this case, to conduct a CBA for this strand of the CPS, monetisable impact data and cost data for all the programmes analysed would need to be available.

3.30 Of the eight programme evaluations analysed under this strand of the CPS, seven aim to generate benefits that could be monetised, while one (IFSS) does not lend itself to this kind of evaluation<sup>41</sup>.

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<sup>39</sup> For example, in England, the Pupil Premium funding (which uses a similar design to the Pupil Deprivation Grant) has recently been increased for primary schools (to £1300 per eligible child in primary schools) and the Ofsted inspection regime now requires schools to evidence how they are closing the attainment gap in order for schools to attain the highest ratings.

<sup>40</sup> For example, an employment programme might the impact of increasing the amount of time a person spends in employment. This can be monetised by multiplying the additional months in employment by the person's salary.

<sup>41</sup> However, please see, e.g.

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209107/greenbook\\_valuationtechniques.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209107/greenbook_valuationtechniques.pdf) for more on valuing subjective well-being, and <http://www.lse.ac.uk/GranthamInstitute/publications/Policy/docs/PP-non-monetised-factors->

- 3.31 Two of the evaluations (Integrated Children’s Centres and the School Effectiveness Framework) rely entirely on qualitative data, making it impossible to monetise the benefits they have delivered.
- 3.32 Another two (Flying Start, RAISE) have made attempts to measure impact, but due to the evaluation design (often linked to programme design or roll-out) are uncertain about how much of the impact measured is attributable to the programme.
- 3.33 The Cymorth evaluation did not have enough examples of projects with sufficient information to enable their benefits to be estimated to be able to conduct a CBA of the programme as a whole.
- 3.34 Impact data for Families First is not yet available.
- 3.35 The Primary School Free Breakfast Initiative evaluation was able to quantify the benefits of the programme in terms of eating healthy items for breakfast. However, it was not able to establish a link between this and educational attainment, so the benefit is not monetisable.
- 3.36 On the other side of the equation, cost data is not available for the School Effectiveness Framework.
- 3.37 It was therefore concluded that a CBA for this strand of the CPS was not possible.

## **Summary**

- 3.38 There is a culture of evaluation and of using pioneer phases to test delivery models prior to national roll-out. Evaluations are generally strong, and directly linked to CPS-relevant outcomes, and will provide a sound evidence base for future interventions. Several programmes under this (and other) strand allows for local flexibility in implementation: it is imperative that delivery staff are aware of the findings of earlier evaluations and knows what works so they can apply learning.
- 3.39 The impacts from the large investments in this area (i.e. Families First) are not yet evident, due to long-term evaluations that are still underway. The recently published evaluation of Flying Start concluded that it was possible that Flying Start has had a positive impact on parent and child

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[project-programme-policy.pdf](#) for a review of how non-monetised factors can be handled in programme appraisal.

outcomes however this evidence was not conclusive due to methodological evaluation design constraints stemming from the way the programme was rolled out. Other programmes appear mainly to be successful, but target subsidiary aims of the CPS and/or are fairly small-scale and/or have relatively weak evidence about impact. The integration of programmes may provide means of increasing the impact of programming (for relatively low costs) and joining up delivery. The integrated early years plan in particular provides an opportunity for the CPS team to review and apply evidence to programming in these areas.

- 3.40 The timing of pilot phases and the quality of pilot evaluations could be reviewed to ensure that evidence is available to inform decision-making about national roll-out of programmes.
- 3.41 There is evidence of a shift in focus in education programming in recent years, with much greater resources focussed on closing the attainment gap. Resources in this area are now more proportionate to the scale of the issue.

## **4 Helping people out of poverty**

### **Welsh Government actions to help people out of poverty**

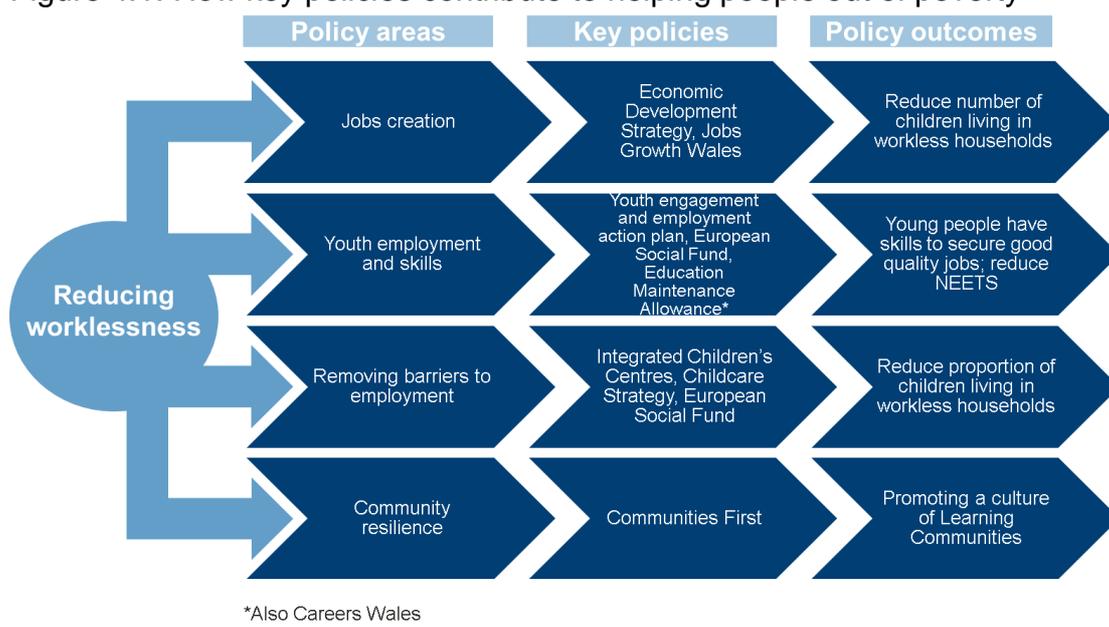
- 4.1 Helping people out of poverty is about ‘recognising that the best route out of poverty is through employment’ and aims ‘to help people to improve their skills and enhance the relevance of their qualifications. The Welsh Government also aims to remove other barriers to employment – from practical barriers such as the accessibility of transport and buildings to less tangible barriers such as poverty of aspiration - helping people to move on to and up the employment ladder’<sup>42</sup>.
- 4.2 Growth and sustainable jobs is one of the key themes of the Programme for Government, with an emphasis on investing in infrastructure, skills, innovation, and improving the business environment<sup>43</sup>. This theme is particularly relevant to helping people out of poverty as it encompasses, among other elements, job creation and improving skills, which should contribute to improving the employment prospects of Welsh people, including those living in poverty.
- 4.3 Key policies in this area, and the key themes they should address, are summarised in the figure below. The policies in this area aim to create jobs, improve young people’s skills so they are better able to gain employment, tackle barriers to employment among working-age adults, and strengthen communities.

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<sup>42</sup> <http://wales.gov.uk/docs/dsjlg/publications/socialjustice/120625stackpovplanen.pdf>

<sup>43</sup> <http://wales.gov.uk/docs/strategies/110929chap1en.pdf>

Figure 4.1: How key policies contribute to helping people out of poverty



Source: Ipsos MORI

- 4.4 In addition to policy delivery, the Welsh Government is engaged in other activity that is intended to help to make progress towards helping people out of poverty. This includes liaising with employers to map the availability of entry-level skills vacancies that will be particularly relevant to low-income groups, and the work of the CPEG examining the problems of economic inactivity and in-work poverty.
- 4.5 A range of stakeholders can influence the outcomes that are of key importance in helping people out of poverty. Amongst these stakeholders, the UK Government has the largest influence, in particular through welfare policy. Employers – and the employment policies and practices they use – also have a large influence in this area, whilst the Welsh Government's ability to influence outcomes is seen as moderate.
- 4.6 As alluded to earlier, the findings in this area should be reviewed in the context of the constraints under which the Welsh Government operates in this area, and in particular the large role of the UK Government. The outcomes of the Child Poverty Strategy assume that the Welsh Government is able to work through and with the private sector to stimulate new employment opportunities on a very large scale, in order to reduce levels of unemployment. The Strategy also assumes that the Welsh Government is able to improve the supply of good quality,

sustainable employment – again through work with the private sector – in order to reduce rates of in-work poverty (which have been increasing in Wales and across the UK). These assumptions in turn assume that there are sufficient incentives for the private sector to engage with the Welsh Government and to participate in creating new and sustainable employment opportunities.

- 4.7 The UK Government has an even more significant role to play, and the success of the Strategy in this area assumes that the Welsh Government is able to work with the UK Government to influence economic, skills and welfare policy to stimulate the economy, provide incentives for employers and parents to take up employment, and remove barriers to working.
- 4.8 The programmes in this area are often focussed on removing barriers to work, particularly among parents, and these programmes assume that parents are willing and able to take up employment opportunities.

### **Effectiveness and impact of Welsh Government actions to help people out of poverty**

- 4.9 The following programmes were selected by the evaluation team and Welsh Government for inclusion in the meta-review for the purposes of this evaluation:
- Communities First
  - Education Maintenance Allowance (EMA)
  - European Social Fund
  - Jobs Growth Wales
  - Welsh Government Economic Development Strategy: Economic Renewal
  - Youth Engagement and Employment Action Plan<sup>44</sup>
- 4.10 The programmes were selected as being those which were likely to make the most significant contribution to child poverty-relevant indicators in this area, and to give a spread of programmes across the main

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<sup>44</sup> A Youth Engagement and Progression Framework, which focuses on reducing the number of young people aged 16 to 24 who are NEET, and on supporting 11 to 15 year olds who are at risk of becoming NEET, was published in late 2013 and is too new to be included in this evaluation.

outcome areas as outlined in Table 4.1. The evaluation team reviewed the evidence available about the implementation and impact of each programme; key findings are summarised in the remainder of this section.

Table 4.1: Summary of Key Programmes: Helping People out of Poverty

	<i>CPS-relevant outcomes?</i>	<i>Targeting</i>	<i>Scale of problem/ programme</i>	<i>Cost of programme</i>	<i>Timeframes for programme</i>	<i>Key outcomes / impact</i>
<b>Welsh Government Economic Development Strategy: Economic Renewal</b>	Yes. Employment rates, youth employment, earnings, qualifications / skills.	Universal/ working-age population.	Covers various programmes. 100,000 unemployed adults in Q3 2013 in Wales, and 448,000 economically inactive. <sup>45</sup>	Range of programmes, e.g. £400m on work-based learning contracts, £10m on Basic Skills Employer Pledge.	From 2010	<p>This Strategy has not been formally evaluated. The Welsh Government tracks progress on the indicators in its Programme for Government, although neither the achievements nor those areas showing deterioration can be attributed to the Strategy.</p> <p>The percentage of NEETs aged 16-18 years old increased from 11.5 per cent in 2010 to 12.1 per cent in 2011, but decreased for 19-24 year olds from 22.9 per cent to 22.1 per cent.</p> <p>The percentage of working age adults qualified to the equivalent of 5 GCSEs at grade A*-C, or a foundation apprenticeship, and above has increased from 72 per cent in 2010 to 75 per cent in 2012.</p> <p>The difference in the employment rate between Wales and the UK has decreased from 3.49 per cent in Q1 2010 to 2.34 per cent in Q4 2012.</p>
<b>Jobs Growth Wales</b>	Yes. Reduce NEETS.	Unemployed young people aged 16-24.	4,000 job opportunities created per year for 16-24 year olds vs. 48,400 unemployed 16-24 year olds in Oct 2012-Sep 2013. <sup>46</sup>	£25m per year for four years	2012/13 – 2015/16	The Jobs Growth Wales programme had created 11,851 job opportunities, and filled 9,181 of these, as at 27 March 2014, well over the 8,000 jobs the scheme was aiming to fill in its first two years.
<b>European Social Fund</b>	Yes. Outcomes relating to employment rates, youth employment, earnings, qualifications/ skills	Various programmes (include. Jobs Growth Wales)	Covers various programmes. Bulk of funding concentrated in West Wales and Valleys. Unemployment counts are highest in Blaenau Gwent, Merthyr Tydfil, Rhymney.	Various programmes. By July 2013 £756m	Funding rounds from: 2000-2006; 2007-2013; 2014-2020	<p>Performance against target outcomes was found to be “some way behind expectation for each of the main measures”, with the most common reason cited being delays in initial implementation of projects. The data shows that programmes are underperforming against all of the overall priority targets, with key data as follows:</p> <ul style="list-style-type: none"> <li>▪ Against a target of 10,500 young people who were previously NEET entering further learning, only 609 had done so by</li> </ul>

<sup>45</sup> <http://www.nomisweb.co.uk/reports/lmp/gor/2013265930/report.aspx>

<sup>46</sup> NOMIS extract of unemployed 16-24 year olds in Wales for the period Oct 2012-Sep 2013 (<http://www.nomisweb.co.uk/default.asp>)

						<p>31 October 2011.</p> <ul style="list-style-type: none"> <li>Only 7,727 participants had achieved other positive outcomes such as work placements, volunteering or attending job interviews, which represents 41 per cent of the target of 19,000.</li> <li>5,535 participants had gained qualifications, 47 per cent of the Priority target of 10,500.</li> </ul>
<b>Education Maintenance Allowance (EMA)</b>	Yes. Remove barriers to education and employment.	16-18 year olds from low-income households.	31,970 EMA applications received in 2012/13, 95% of which were approved.	£28.1m funds + £2.6m administration	Ongoing from 2004/05	An independent evaluation of the EMA has been commissioned but not yet reported. According to Programme for Government indicators, 30 per cent of students receiving EMA in 2010/11 progressed to higher education (24 per cent in 2011/12 and a further 6 per cent in 2012/13). So far, 27 per cent of students receiving EMA in 2011/12 have progressed to higher education. It is expected that the numbers from this cohort will increase in 2013/14. However, the impact of EMA on the progression of these students is not clear.
<b>Youth Engagement and Employment Action Plan</b>	Yes. Reduce NEETS.	Various, but targeted at those at risk of / who are NEET	Currently 48,400 16-24 year olds unemployed (25% of this age group are unemployed).	Various programmes, including Pathways to Apprenticeships, Young Recruits, and others	2011-15	There has not been a formal evaluation of the Action Plan. The most recent data on NEETs dates to 2011, and in any case could not be attributed to the Action Plan.
<b>Communities First</b>	Yes, esp. since 2012 realignment. Explicit focus on poverty. Outcome areas (learning, economy, health) complement CPS objectives.	Targets the most disadvantaged people within most deprived areas.	Estimated that 591,000 people (20% Welsh population) beneficiaries.	Approx. £300m from 2001 to 2011/12	Ongoing. Established 2001. Realigned from April 2012.	The evaluation was limited by the diversity of the projects funded under the programme, the soft nature of many of the projects' impacts, and the lack of emphasis on measuring impact at the local level. However, it was able to draw some conclusions. The evaluation found "a positive, albeit limited, additional and attributable impact [on worklessness] in the CF areas." It also found that the programme had an impact on "crime and grime issues" including improvements in maintenance standards, small-scale environmental improvements, reductions in anti-social behaviour and increased youth diversion activities. The evaluation concluded that "the positive benefits being derived from the programme represent reasonable value for money".

### *Features of programmes focused on helping people out of poverty*

- 4.11 The programmes delivered under this theme are highly relevant to the CPS objectives. The largest funding stream in this area (European Social Fund) focuses on a range of outcomes including basic skills development across all age groups, moving the workforce closer to the labour market, the creation of work-based training opportunities, and youth engagement<sup>47</sup>. Other programmes focus on similar objectives such as increasing adults' skill levels (Economic Development Strategy, EMA), removing barriers to employment or tackling those at risk of being NEET (Youth Engagement and Employment Action Plan), and creating jobs for young people (Jobs Growth Wales – funded via the ESF). The Economic Development Strategy also focuses on a number of themes to create the environment to support high employment, such as infrastructure improvements, business support, and supporting research and development. Programmes in this area focus on readying adults for the labour market, or creating conditions conducive to employment, rather than job creation.
- 4.12 In the Educational Maintenance Allowance, Wales has protected a proven intervention which has been cut elsewhere in the UK. This is one of a number of areas where the Welsh Government's approach has diverged from policy elsewhere in the UK in order to facilitate the entry of young people from lower-income households into higher education; the Welsh Government's tuition fees policy is another obvious example. In addition, the Welsh Government also has other funds in place to help those from disadvantaged backgrounds access higher education, such as maintenance loans, the Financial Contingency Fund, and the Welsh Learning Grant. However, the stakeholder consultations revealed there are alternative views on whether the balance of funding between HE policy and improving adults' basic skills is currently right: for example, some queried whether focussing on the lower end of the skills spectrum, rather than on HE, would be more beneficial for the economy, and cited

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<sup>47</sup> Based on the range of programmes referred to by Welsh Government: <http://wales.gov.uk/topics/educationandskills/allsectorpolicies/europeansocialfund/strategicframeworks/?lang=en>

OECD evidence that recently concluded that ‘overall, reducing the proportion of people in a region with very low skills seems to matter more than increasing the share with very high skill levels’<sup>48</sup>.

### *Targeting*

- 4.13 The programmes target the working-age population, unemployed young people or those at risk of becoming NEET, and geographically deprived areas.
- 4.14 Some work is being done to engage with the private sector, although no single policy reviewed as part of this evaluation specifically targeted employers. The Economic Renewal Strategy identifies six sectors which are robust, employ a large proportion of the workforce, and which are projected to grow in the coming years. The six sectors are ICT, energy and environment, advanced materials and manufacturing, creative industries, life sciences, and financial and professional services<sup>49</sup>. These sectors offer the best opportunities, and the Strategy outlines an intention to engage with businesses more strategically, by focussing on these sectors that offer the best opportunities for growth and employment.
- 4.15 The Employment and Skills Team liaises regularly with a Work, Employment and Skills Board which comprises representatives from key businesses and sectors, and provides a forum to discuss the potential impact of business in helping people out of poverty. There are programmes within the Youth Engagement and Employment Action Plan which encourage work experience placements, which fund Apprenticeships (particularly for young people), and which build social clauses into government contracts which specify the creation/provision of opportunities for young people.

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<sup>48</sup> OECD, ‘Promoting Growth in All Regions’ <http://www.oecd.org/site/govrdpc/49995986.pdf>

<sup>49</sup> [www.wlga.gov.uk/download.php?id=3971&l=1](http://www.wlga.gov.uk/download.php?id=3971&l=1). A further three priority sectors, construction, tourism and food and farming, have since been added to the original list of six.

## *Scale*

- 4.16 As noted above, it is relatively difficult to draw conclusions about the appropriateness of the scale of interventions in this area, as several strategies and funds were reviewed and they encompass a large number of smaller-scale projects. However, the large scale of these funds and strategies underlines the relatively weak economic position in Wales (and elsewhere) currently.
- 4.17 Employment figures for Wales for the period October 2012 to September 2013 show that the ILO unemployment rate is 10 points higher for 16-24 year olds than among 25-49 year olds<sup>50</sup>. In line with this, there is a focus within the Economic Renewal strategy and the programmes funded by the ESF on youth initiatives; alongside this, the Youth Engagement and Employment Action plan outlines a series of interventions targeted at young people. This focus seems appropriate given the scale of the youth unemployment issue, but there may be a need for a greater focus to reflect the scale of the problem.
- 4.18 In terms of reach, Communities First is one of the largest projects reviewed, with an estimated 591,000 beneficiaries since its inception (although it covers a range of areas, of which economic projects are just one). It is clear in many policy areas, such as education and families policy, that programmes are being 'bent' to enhance their effectiveness and leverage Communities First funds (e.g. the Pupil Deprivation Grant, and Families First). It is not clear at this point how far Communities First is used to enhance the scale and reach of economic programmes.

## *Cost and timelines*

- 4.19 The programmes in this area are relatively large-scale, with high costs and long timeframes. It is notable that the costs of interventions exceed those in the preventing poverty strand. Stakeholders we consulted noted that some of the key barriers to widening access to higher education were the skills levels of HE applicants, and that improvements need to be made 'upstream' in the statutory education sector, so that a sufficient

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<sup>50</sup> NOMIS extract of unemployed 16-49 year olds in Wales for the period Oct 2012-Sep 2013 (<http://www.nomisweb.co.uk/default.asp>)

number of high calibre applications are received. The latter view coincides with the 'invest to save' principle applied to much of the Welsh Government's programming.

*Evidence of effectiveness and impact*

4.20 The activities under these programmes and strategies are directly relevant to the CPS, because they aim to improve the skill levels of working-age adults and/or move individuals closer to the labour market and/or remove barriers to employment among young people specifically. The evidence in this area is relatively difficult to assess as it includes a number of very large-scale strategies which in themselves encompass a large number of smaller interventions: the European Social Fund, the Youth Engagement and Employment Action Plan, the Economic Development Strategy and, to some extent, Communities First. With the exception of Communities First and the European Social Fund, there are no meta-evaluations of these funding streams and strategies that enable us to draw overall conclusions about the quality of the evidence or the impact of the funds as a whole. Moreover, although the individual projects funded are usually evaluated (especially under ESF) in several cases the outputs and outcomes measured are economically focussed and do not provide information relating to CPS outputs. For example, The 2012 European Social Fund Leavers Survey uses a robust comparison group methodology to measure the impact of labour market interventions delivered under European Social Funds, but do not include figures for parents/ non-parents<sup>51</sup>.

4.21 In 2011, the Welsh European Funding Office (WEFO) published an evaluation of the European Social Fund Priority Area 1, which aims to tackle underachievement and raise the skills and aspirations of children and young people aged 11 to 19. The evaluation found that between 39,000 and 49,000 young people had been engaged in activities through

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<sup>51</sup> <http://wales.gov.uk/docs/wefo/report/140127esfleaverssurvey2012reporten.pdf>

this Priority Area, against a target of 41,000<sup>52</sup>. Performance against target outcomes was found to be “some way behind expectation for each of the main measures”, with the most common reason cited being delays in initial implementation of projects<sup>53</sup>. The data shows that programmes are underperforming against all of the overall priority targets, with key data as follows:

- Against a target of 10,500 young people who were previously NEET entering further learning, only 609 had done so by 31 October 2011<sup>54</sup>.
- Only 7,727 participants had achieved other positive outcomes such as work placements, volunteering or attending job interviews, which represents 41 per cent of the target of 19,000<sup>55</sup>.
- 5,535 participants had gained qualifications, 47 per cent of the Priority target of 10,500<sup>56</sup>.

4.22 The Communities First programme was evaluated as a whole in 2011. The evaluation was limited by the diversity of the projects funded under the programme, the soft nature of many of the projects’ impacts, and the lack of emphasis on measuring impact at the local level. However, it was able to draw some conclusions about the impact of the programme. The evaluation found “a positive, albeit limited, additional and attributable impact [on worklessness] in the CF areas.”<sup>57</sup> It also found that the programme had an impact on “crime and grime issues” including improvements in maintenance standards, small-scale environmental improvements, reductions in anti-social behaviour and increased youth diversion activities<sup>58</sup>. The evaluation concluded that “the positive benefits being derived from the programme represent reasonable value for money.”<sup>59</sup>

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<sup>52</sup> Aidan Moss, Rakhee Patel, Darren Ivey, Daljeet Johal, Naomi Williamson, Ross Neilson, James Kearney, Steph Charalambous, Jessica Dagers, *Thematic Evaluation of ESF Convergence Priority One in West Wales and the Valleys* (2012): iii-iv.

<sup>53</sup> *Ibid.*, iv.

<sup>54</sup> *Ibid.*, 42.

<sup>55</sup> *Ibid.*, 43.

<sup>56</sup> *Ibid.*, 44.

<sup>57</sup> Amion Consulting Limited and Old Bell 3 Limited, *The Evaluation of Communities First* (Welsh Government: Merthyr Tydfil, 2011): 174.

<sup>58</sup> *Ibid.*

<sup>59</sup> *Ibid.*, 177.

4.23 The Jobs Growth Wales programme had created 11,851 job opportunities, and filled 9,181 of these, as at 27 March 2014, well over the 8,000 jobs the scheme was aiming to fill in its first two years. An interim evaluation of the programme, which takes a quasi-experimental approach to measuring impact using a comparison group of unsuccessful applicants to the programme, will be published later in 2014, and a value for money analysis will be included in the final evaluation.

4.24 We understand that the quality of evidence in this area is set to improve from the CPS perspective over the coming years. The Communities First programme has recently been reshaped, with a much greater emphasis on measuring and reporting impact, a smaller number of CF areas and projects, and tighter management structures, all of which should facilitate better reporting of impacts. A new skills strategy published in January 2014 focuses on measuring equalities indicators as well as economic outputs. Likewise, the ESF from 2014 will add tackling poverty as a cross-cutting priority, and this will ensure tackling poverty will be covered more explicitly in evaluations and reporting. It would be useful, where appropriate and practicable, however, for interventions systematically to collect data on whether participants have children, as this would enable an assessment of their contribution to reducing child poverty.

*Costs and benefits of programmes aimed at helping people out of poverty*

4.25 Evidence available on the costs and benefits of programming under this strand was not sufficient to enable a CBA to be undertaken. A CBA for this strand would be reliant on CBAs having been undertaken for the programmes encompassing a number of projects (e.g. Economic Renewal Plan, European Social Fund, Youth Engagement and Employment Action Plan). The EMA evaluation has not yet reported. It is too early to conduct a CBA for Jobs Growth Wales or Communities First as the benefits will be realised over a period of time and these programmes are relatively new.

## Summary

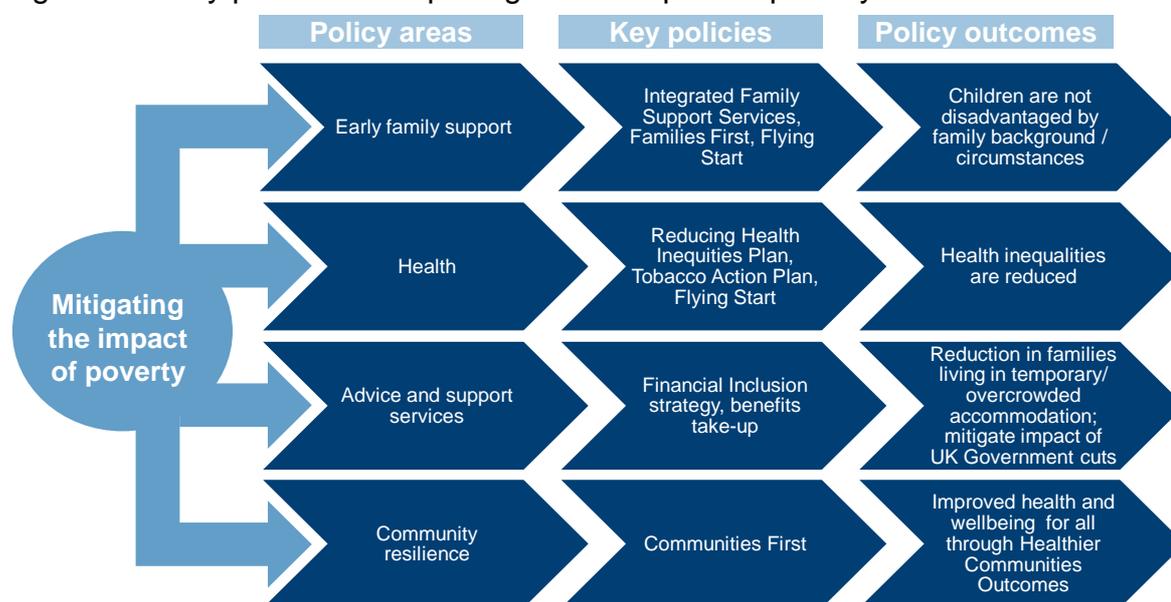
- 4.26 Programmes under this strand focus on labour market readiness, and providing a suitable framework and infrastructure for the private sector to operate in, rather than job creation. Most programme evaluations and monitoring data focus on economic outputs which do not align to the CPS objectives (for example, they do not differentiate between parents / non-parents). It would be useful for interventions systematically to collect data on whether participants have children, as this would enable an assessment of their contribution to reducing child poverty.
- 4.27 Programmes under this strand are higher value than those in other strands, reflecting the scale of the issues involved in worklessness and stimulating the economy. There is an appropriate emphasis in programming on youth unemployment, which reflects much higher unemployment rates among 16-24 year olds than among older adults.
- 4.28 Although the Welsh Government is collecting and publishing more performance data than was previously the case, there is a lack of easily accessible evidence of the overall impact of some of the larger funding streams, such as the ESF, the Economic Renewal Strategy, the Youth Engagement and Employment Action Plan, and Communities First, all of which fund a large number of projects. As such, it is difficult to isolate examples of specific interventions that are proving to have a large impact in helping people out of poverty. This means that it is difficult to draw conclusions about the impact of programmes that have the broadest reach.

## 5 Mitigating the impacts of poverty

### Welsh Government actions to mitigate the impacts of poverty

- 5.1 It is important to recognise that people can find themselves in poverty very suddenly (for example by losing their job) or may gain employment but still be living in poverty. Policies under this strand are about ensuring children are not disadvantaged by living in poverty in the here and now. The Welsh Government will ‘increase action to mitigate the impact of poverty here and now. The Welsh Government recognises that for more and more people, even being in work will not guarantee that they can escape poverty. The Welsh Government can act to improve the quality of life of these communities, families and individuals<sup>60</sup>.
- 5.2 Key policies in this area, and the key themes they should address, are summarised in the figure below. The policies in this area aim to provide early family support, tackle health inequalities, provide advice and support services so that low-income families are aware of and access the support they are entitled to and to promote stronger communities.

Figure 5.1: Key policies to help mitigate the impact of poverty



Source: Ipsos MORI

<sup>60</sup> <http://wales.gov.uk/docs/dsjlg/publications/socialjustice/120625stackpovplanen.pdf>

- 5.3 In addition to policy delivery, the Welsh Government is engaged in other activity that will help to make progress towards mitigating the impact of poverty. This includes leveraging support from the Third Sector in delivering programmes to mitigate the impact of poverty and the mandate on public bodies to include child poverty goals within their action plans. The CPEG also looked specifically at educational issues related to child poverty for 4-14 and 14-19 year olds and health inequalities.
- 5.4 A range of stakeholders can influence the outcomes that are of key importance in mitigating the impact of poverty, although there are a range of views about who the key stakeholders are. Those with the greatest potential influence include the Third Sector, which plays a particularly significant role in mitigating the short-term effects of poverty. The UK Government also has a large influence, although some feel this influence may not help in achieving the outcomes of the Strategy. The Welsh Government and public bodies responsible for mainstream service delivery also play a role. The impact of Welsh Government action under this strand is therefore constrained by the context in which it operates, but still plays an important (and some feel central) role in mitigating the impact of poverty.
- 5.5 There is some overlap in the programmes which contribute to this area of the strategy and those under preventing poverty: as such, some of the same assumptions and risks apply. In particular, there are overlaps around programmes offering early family support, and which aim to tackle problems before they escalate, and therefore alleviate the lived experience of poverty (as well as tackling problems before they have a lasting detrimental impact on children's development and attainment).
- 5.6 The programmes use a mix of universal services – such as universal sexual health services – as well as targeted support to reach the most disadvantaged groups. This targeting takes a number of forms, including geographical targeting, and targeting of specific risk groups. The assumption underlying programmes is that a mix of targeted and universal services will help to address the priority policy objectives in this area, and alleviate the lived experience of poverty for key target groups.

- 5.7 Programmes in this area often aim to provide advice and support services that will help to improve families' financial situations, by encouraging them to take up the benefits they are entitled to, and to help improve disadvantaged families' living conditions, such as housing and access to fuel. The assumption is that these targeted services can help to mitigate the impact of UK Government welfare cuts, as impacts are disproportionately felt by workless families in Wales.<sup>61</sup>
- 5.8 Programmes in this area also assume that communities play a significant role in alleviating disadvantage, and that work to tackle youth offending and substance misuse, in order to build safer, less socially segregated communities, will help to avoid children being disadvantaged by the areas in which they grow up.

### **Effectiveness and impact of Welsh Government actions to mitigate the impacts of poverty**

- 5.9 The following programmes were selected by the evaluation team and Welsh Government for inclusion in the meta-review for the purposes of this evaluation:
- Credit Unions (as one example of action the Welsh Government is taking to promote financial inclusion)<sup>62</sup>
  - Cymorth
  - Families First
  - Flying Start
  - Healthy Start
  - Integrated Family Support Service (IFSS)
  - Sexual Health & Well-being Action Plan 2010-2015
  - Strengthening families
  - Ten Year Homelessness Plan
  - Youth Mental Health First Aid

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<sup>61</sup> <http://wales.gov.uk/docs/dcells/report/130218wr-stage2-summary-en.pdf>

<sup>62</sup> The Welsh Government has had a Financial Inclusion Strategy since 2009 (<http://wales.gov.uk/docs/dsjlg/publications/comm/090924fininclstraten.pdf>), and had updated this with priority actions for 2011-2013 (<http://wales.gov.uk/docs/dsjlg/publications/comm/111018finstrat1213en.pdf>). Others actions the Welsh Government is taking to promote financial inclusion, which are not included in this evaluation, include supporting benefit take up and the Better Advice Better Lives project.

5.10 The programmes were selected as being those which were likely to make the most significant contribution to child poverty-relevant indicators under this strand, and to give a spread of programmes across the main outcome areas as outlined in Figure 5.1 above. The evaluation team reviewed the evidence available about the implementation and impact of each programme; key findings are summarised in the remainder of this section.

Table 5.1: Summary of programmes: mitigating the impact of poverty

	<i>CPS-relevant outcomes?</i>	<i>Targeting</i>	<i>Scale of problem/ programme</i>	<i>Cost of programme</i>	<i>Timeframes for programme</i>	<i>Key outcomes / impact</i>
<b>Integrated Family Support Service (IFSS)</b>	Yes: strong links to mitigation objective by strengthening families with substance misuse problems.	Geographic, and targeted by need.	2008 Hidden Harm report estimates 64,000 CYP might be affected by parental alcohol problems. Pilot programme has a target of 270 beneficiary families per year. Available in 13 Local Authorities.	£4.5m will be made available when rolled out nationally.	Piloted from 2010. National roll-out 2011-14.	Some evidence of impact on the well-being of the adults in families supported through IFSS, with mean scores on the Warwick-Edinburgh Mental Well-being Scale (WEMWBS) increasing from 45.13 before the intervention to 51.44 after. There is also evidence of a small improvement in children's behaviour, based on self-completed Strengths and Difficulties Questionnaires. Goal Attainment Scale data also indicates a significant amount of success is achieved during the initial intensive phase across all sites, followed by a more 'steady' performance between the end of the intensive phase and the six month review.
<b>Cymorth</b>	Yes: outcomes include play, leisure and enrichment, and health services.	Geographic, and targeted by need. Children 0-25	Health outcomes for children in low-income households are relatively poor, including dental health and injury rates (see context section, earlier)	Total £235m from 2003/04 – 2008/09. £50m per year subsequently.	2003/04 - 2011/12 (replaced by Families First)	Cymorth achieved its role in improving local partnership working in support of services for disadvantaged children and young people, helped to put preventative services in place and on the agenda of the mainstream service providers, and introduced innovative ways of working. There has only been a limited number of attempts to demonstrate the extent to which the Partnerships and their Cymorth funded projects improved the outcomes for children and young people.
<b>Families First</b>	Yes: includes outcomes relating to healthy and safe families, and families being confident, resilient and nurturing.	Geographic (focussed on Communities First areas) and families living in poverty	Covers all 22 LAs. Health outcomes for children in low-income households are relatively poor, including dental health and injury rates (see context section, earlier)	£42m per year for 5 years	Pioneer areas from 2010. National roll out from 2012.	Evidence on outcomes for families is not yet available. The evaluation does, however, highlight some early benefits from the programme: The JAFF helps to engage families more effectively and improve the effectiveness of agencies' work. TAF panels are seen as more responsive compared with prior arrangements for assessing family needs. Better multi-agency working means more effective support for families with multiple needs as well as better use of local resources.
<b>Flying Start</b>	Yes: child outcomes covering cognitive and physical skills development.	All families with children under 4 in the 140 most deprived areas of Wales	Relatively poor outcomes across health and education for those in poverty. Targets families in 286 areas (36,000 children).	£74m per year + £19m for capital spending in 2013.	From 2006-07, and ongoing.	Too early to establish longer term impacts. Some evidence that Flying Start may improve educational outcomes for children, does lead to positive changes in parental behaviour. Lack of baseline data or robust comparison group means there is uncertainty about the impact of the programme.
<b>Healthy Start</b>	Yes: improve mother/child health through	Low-income pregnant women, new	Lower rates of healthy eating among DEs (24% eat 5-a-day vs. 41% of ABs). c. 95,000 eligible per	c. £400,000 per year	Ongoing since 1940	There has not been an evaluation of Healthy Start that disaggregates findings for Wales, nor is there any data about maternal health included in the

	providing food vouchers	mothers of children up to 4 <sup>th</sup> birthday	year.			Programme for Government indicators.
<b>Strengthening families</b>	Yes: aims to deter young people from alcohol, drug and tobacco misuse. Focus on parenting and family functioning.	Geographic, with self-referrals from a mix of socio-economic groups	748 families part of the trial. The 2009/10 HBSC survey in Wales indicated that at age 15, 50% of girls and 47% of boys reported that they had been drunk twice or more; 16% of girls and 11% of boys reported that they smoked cigarettes at least once a week; and 20% of girls and 22% of boys reported that they had ever used cannabis.	£2.8m for the trial, of which Welsh Government contributes £675,000	2009-2014	There has not yet been an evaluation of the national programme, although one is due out in 2014. The Programme for Government data does not allow disaggregation of drug- and alcohol-related indicators by age.
<b>Youth Mental Health First Aid</b>	Not explicitly linked to CPS. Will help to address health inequalities, through better identification and referral of mental health issues in young people.	Professionals working with children and young people; CPD course available to professionals across Wales	In the 2009/10 HBSC, 11-16 year olds from the least affluent families were significantly less likely to say they were satisfied with their lives than those from the most affluent families. One in four adults has mental health problems.	Not available	From 2007, and ongoing	Over 10,000 trained in the course by 2012. 96 per cent of participants felt confident or better prepared to help someone in mental distress than before they attended the training.
<b>Sexual Health &amp; Well-being Action Plan 2010-2015</b>	Yes: improve sexual health/ address health inequalities and reduce rates of teenage pregnancies	Universal, targeted by age (under 18s at risk of pregnancy; all young people under 25)	In the 2009/10 HBSC, use of contraception among Year 11 pupils was 10 points lower among those from the least affluent families, compared to those from the most affluent families. Rates of underage conception are relatively high in low-income groups.	LARC: £150,000 2012/13. Other figures not available.	2010-15	Long-acting reversible contraception (LARC) offered to 2,500 teens per year. The rate of conceptions of under 18 year olds in Wales seems to be decreasing, from 44.2 per 1,000 female residents aged 15-17 in 2008 to 34.8 per 1,000 female residents in Q4 2011 and 28.3 per 1,000 female residents in Q4 2012 but this cannot be attributed to the Plan.
<b>Credit Unions</b>	Yes: to overcome financial inequality	Universal, but focus on financially excluded groups.	62,000 members of 22 CU across Wales; in 2012, 7,996 accessed CU services. Nationwide coverage. 4% of families did not have bank accounts in 2011.	£1.9m for Phase 1 pilot; £3.5m for phase 2 delivery (2010-2013)	Ongoing, started 2009	Has helped 12,629 financially-excluded adults receive financial services by December 2012.
<b>Ten Year Homelessness Plan</b>	Yes: links to health, well – being and financial inequalities.	Aimed at those at risk of/ who are homeless	Plan sets out principles, feeds into other programmes.	Not available.	2009-19	The number of households accepted as homeless increased in 2010/11 and 2011/12, but decreased by 11 per cent compared to the previous year in 2012/13, a trend which has continued in 2013/14, but this cannot be attributed to the Plan.

### *Features of programmes focused on helping people out of poverty*

5.11 The programmes in this area have outcomes that are directly linked to the mitigating poverty objective. Across the programmes we reviewed, there is a stronger focus on family and health services than on financial services.

### *Targeting*

5.12 Five of the programmes reviewed in this area use geographical targeting (mainly those focussed on family services), and are usually targeted at particular groups within these target areas. Two services are wholly or mainly targeted at low-income groups (Healthy Start and Credit Unions), and the Homelessness Strategy is aimed at a specific target group at risk of homelessness. One programme – the Sexual Health and Wellbeing Action Plan – is targeted universally, although focussed on those at greatest risk of teenage pregnancy.

### *Scale*

5.13 Cymorth and Families First address wide-ranging issues and broad groups. The scale of issues and the resources directed to them is determined by individual LAs and it is difficult to assess how far this is appropriate. Monitoring arrangements in place at the national level for Families First should keep this under review.

5.14 Flying Start, the Welsh Government's flagship programme for young children, aims to reach 18,000 children, and the number of beneficiaries is set to double when the programme is expanded.

5.15 The Healthy Start scheme has a broad (but shallow) coverage – 95,000 eligible families per year – and a good uptake rate. The benefits it provides are fairly limited – vouchers worth £3 per week to buy food – but the high uptake suggest this is valuable to beneficiaries.

5.16 The LARC element of the Sexual Health and Wellbeing plan is a fairly low-cost intervention, aimed at a high-risk group. As with IFSS, although the numbers affected are relatively small, they represent a very high-risk group where outcomes are likely to be poor if these forms of early interventions are not employed. Similarly, the work to support the Credit

Unions is targeted at financially excluded individuals and therefore addresses a market failure for a vulnerable group.

5.17 The Credit Unions offer now covers the whole of Wales, but the uptake of Credit Union membership among the target group remains low (under 1%), although this is in line with the rest of the UK. However, as noted above, the Credit Unions programme is one part of the Welsh Government's financial inclusion work, which also includes, for example:

- providing support to ensure that Post Offices can provide financial services to local communities
- raising awareness of financial services and support available, extending the reach of Moneyline Cymru
- supporting third sector advice providers to assist people who have debt problems and help people manage their finances
- continuing to work closely with the Money Advice Service
- rolling out financial education in schools and developing the financial skills of young people in Wales

#### *Costs and timelines*

5.18 Programmes – and evaluations – in this area tend to follow long timeframes. There is evidence of programmes being rolled out in phases, with evidence from early pioneer phases informing later roll-out. This is true of the Credit Unions programme, Strengthening Families (currently in a Trial phase), and to some extent Families First and IFSS<sup>63</sup>. The largest programmes in this area – Flying Start and Cymorth/Families First - are primarily focussed on early intervention and address the full range of CPS objectives.

#### *Evidence of effectiveness and impact*

5.19 As noted earlier, programmes focussing on early family support (many of which were discussed under Preventing Poverty, above) tend to have strong evidence about impact, and are explicitly tied to the goals of the

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<sup>63</sup> The IFSS programme was rolled out before the evaluation had made conclusions about impact in pioneer areas – although there was promising evidence of systems change – and Families First is based on earlier learnings from the predecessor Cymorth programme as well as the Families First pioneer areas.

CPS. Many of these programmes, and their evaluations, have long time-frames, and therefore limited information is available at present about impact. The Cymorth programme evaluation found that the programme had been effective in promoting systems change, and developing partnerships – from a base of limited partnership working – but was not able to assess robustly the programme’s impact on family outcomes. The learning from the Cymorth programme and its evaluation have directly informed the design of the subsequent Families First programme: Families First is establishing a stronger RBA framework so that impacts on families and children are measured at the local level, and promotes the development of fewer, but more strategic, partnerships locally.

- 5.20 The evidence in relation to Flying Start is currently limited as the findings from the 2014 Impact Evaluation report identified that the programme *might* have had an impact on parent and children’s outcomes but that the evidence was inconclusive. Wider evaluation evidence from this programme demonstrates that more low-income families are accessing services. Families in Flying Start areas had more contact with health visitors than parents in the comparison areas, and Flying Start health visitors were proactive at encouraging parents to access wider parenting support. Parents with a gross household income of under £10,000 per annum and those in workless households have received more contacts with health visitors than families on average.
- 5.21 Programmes designed to address health inequalities also tend to have strong evidence: these include the Integrated Family Support Service (IFSS), Healthy Start, and Strengthening Families. Strengthening Families was piloted in Cardiff, and a feasibility study took place to assess its potential for national roll-out. Now, a Randomised Controlled Trial approach is being used to measure the national programme’s impact.
- 5.22 As in other areas, the evidence relating to broader plans and strategies tends to be more limited than the evidence for individual programmes, because they encompass a wide range of programmes, and the overall impact of the strategies is not evaluated. However, evidence based on

population statistics will provide some indications of the direction of travel (if not directly attributable impact measurements) for the Sexual Health and Well-being Action Plan, and the Ten Year Homelessness Plan. For example, the rate of conceptions of under 18 year olds in Wales is decreasing, from 44.2 per 1,000 female residents aged 15-17 in 2008 to 34.8 per 1,000 female residents in Q4 2011 and 28.3 per 1,000 female residents in Q4 2012<sup>64</sup>. The number of households accepted as homeless increased in 2010/11 and 2011/12, but decreased by 11 per cent compared to the previous year in 2012/13, a trend which has continued in 2013/14<sup>65</sup>. However, it is unclear how much the plans themselves have influenced these changes.

5.23 The pilot phase of the Access to Credit Unions evaluation has helped to shape the programme roll-out and objectives in the second phase of the programme, and provides a good example of timely evaluation evidence being available to inform a programme's delivery. The evaluation found that "a strong need for and clear policy rationale for public sector intervention to support and develop the credit union movement in Wales."<sup>66</sup> It argued that the decision to provide capital as well as revenue funding had been appropriate, but that "funding should have been invested in a more strategic manner and better aligned to common and SMARTer outcomes."<sup>67</sup> Finally, it found that too many priorities were initially set for the project, and there was a disconnect between the objectives and the targets set at the individual credit union, project and strategic levels<sup>68</sup>.

5.24 As noted earlier, a number of family services use an early intervention model, intervening in families' problems before they escalate into more

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<sup>64</sup> Sexual Health and Wellbeing Action Plan for Wales, 2010-2015 ([http://www.shnwales.org.uk/Documents/485/Strategy%20\(English\).pdf](http://www.shnwales.org.uk/Documents/485/Strategy%20(English).pdf)) and Quarterly Conceptions to Women Aged Under 18 – England and Wales, Q4 2012 (<http://www.ons.gov.uk/ons/datasets-and-tables/index.html?pageSize=50&sortBy=none&sortDirection=none&newquery=conceptions&content-type=Reference+table&content-type=Dataset>)

<sup>65</sup> <http://wales.gov.uk/docs/statistics/2014/140326-homelessness-october-december-2013-en.pdf>

<sup>66</sup> An Evaluation of the Access to Financial Services through Credit Unions Project: First Year Report.

<sup>67</sup> *Ibid.*

<sup>68</sup> *Ibid.*

complex issues (which are also more costly to address). Often these models use a multi-agency approach, and aim to transform service delivery as well as introduce new interventions for families. Evaluations therefore focus on the extent to which service delivery has changed as well as outcomes for families (in some cases, such as Cymorth, and the current IFSS evaluation, service change outcomes are the main focus rather than outcomes for families. To some extent, this is also true of the Families First evaluation, although this is also capturing 'distance travelled' measures for families from LAs.)

5.25 As in other areas, the evidence of impact is strongest for smaller-scale programmes. For example, the Healthy Start scheme was evaluated in 2006 and found that:

- Healthy Start was complementary to many other objectives in the health and children's services area, but operational links to other services were not being made on the ground
- whilst most health professionals were aware of and applying the programme, there was some lack of clarity about certain eligibility rules
- senior management had not provided sufficient leadership and support to frontline staff
- levels of awareness and support among retailers was high, although there was some confusion about the need to register
- promotion of the programme to beneficiaries focussed on the availability of vouchers, rather than health promotion, and a shift in eating behaviour requires a multi-layered approach over a longer time-frame.

The Youth Mental Health First Aid model was evaluated in 2011, and a small-scale evaluation conducted among the Welsh professionals trained to administer the programme. The programme evaluation found that 96 per cent of participants felt confident or better prepared to help someone in mental distress than before they attended the training. The Strengthening Families programme will be evaluated through a high

quality RCT evaluation (it is anticipated that this evaluation will be published at the end of 2014<sup>69</sup>).

### *Costs and benefits of programmes aimed at helping people out of poverty*

5.26 Evidence available on the costs and benefits of programming under this strand was not sufficient to enable a CBA to be undertaken. The issues are similar to those discussed in Chapter 3 of this report, as many of the programmes are the same. For Healthy Start, there is no Wales-specific impact data. The Youth Mental Health First Aid outcome would be very difficult to monetise. It is not possible to attribute the gains made in relation to tackling the under-16 conception rate and homelessness to the relevant Plans. On the other side of the equation, cost data was not available for two of the programmes. It was therefore decided that a CBA for this strand would not be feasible.

### **Summary**

- 5.27 Across the programmes reviewed, early intervention services are prioritised in terms of funding in this area.
- 5.28 Programmes tend to be geographically targeted, but are sometimes focussed on low-income or specific target groups such those at risk of pregnancy/ homelessness/ having children taken into care.
- 5.29 Evidence relating to programmes with health outcomes is particularly strong (e.g. IFSS, Strengthening Families).
- 5.30 Evidence relating to large-scale early intervention programmes is often focussed on service delivery and service redesign rather than impacts on families: this is true of Cymorth, Families First, and the IFSS evaluations. These evaluations rely on routinely-collected monitoring information and/or population indicators to assess the impact of programmes on families, and monitoring information can often be variable in quality and completeness.

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<sup>69</sup> A protocol paper for the evaluation has already been published: Jeremy Segrott, David Gillespie, Jo Holliday, Ioan Humphreys, Simon Murphy, Ceri Phillips, Hayley Reed, Heather Rothwell, David Foxcroft, Kerenza Hood, Zoe Roberts, Jonathan Scourfield, Claire Thomas, and Laurence Moore, "Preventing substance misuse: study protocol for a randomised controlled trial of the Strengthening Families Programme 10–14 UK (SFP 10–14 UK)", *BMC Public Health* 2014, 14:49.

5.31 Evidence about programme implementation and impact tends to be strongest for smaller-scale programmes, and more limited for larger programmes. This is because of the longer time-frames used by the evaluations of larger programmes, which means that we are unable to make conclusions about their impact yet (e.g. Flying Start, Families First), and also because of the reliance on sometimes patchy monitoring data to inform assessments of impact. Collecting evidence of impact that is tied to the type of intervention is particularly challenging for programmes such as Families First where local delivery agents shape what is delivered.

## **6 Impact of having a strategy on Welsh Government actions**

6.1 This section reviews what impact having a strategy has had on policy making and implementation in the Welsh Government. The evidence presented represents findings from consultations with 13 stakeholders from across the Welsh Government policy team (including the Departments for Communities and Tackling Poverty; Education and Skills; Health, Social Services and Children; Housing and Regeneration) in June-July 2013 and a review of programming evidence.

### **Symbolic value of a strategy**

6.2 The consultations have revealed that the symbolic value of the Child Poverty Strategy is important. The fact that the Welsh Government has a Strategy helps to shape thinking and form an overall narrative around the impacts of policy and departmental priorities. The Strategy redefines the focus on poverty, emphasising not just that policy should create opportunities, but for whom it is creating opportunities, focusing on those most vulnerable. More recently the Strategy has been part of a greater emphasis on target setting by encouraging different departments to set targets for reducing child poverty, which are included in the TPAP. The fact that there is a focus of child poverty as articulated in the CPS has also enabled departments to leverage funds for specific projects which have an impact on child poverty in specific communities.

- **The Strategy forms a narrative about what the Welsh Government is trying to achieve.** One stakeholder believed that “the actual content of the Strategy is less important than the fact that there is a Strategy”, which highlights the prioritising effect that it has. Stakeholders spoke of the Strategy as being a justification for general policy direction and even a marketing tool for the work that the Welsh Government is doing – helping the public to understand the impact the Government is having and what it is trying to achieve. In this sense, the CPS can act as an account and an explanation for policies such as keeping the EMA when England abolished it and against raising University fees.

- **The Strategy is redefining the focus on child poverty.** Evidence from the consultations show that the Strategy and the new TPAP has added considerations about for whom a policy has an impact, rather than just what impact it has had. Some stakeholders mentioned that before the policy, the inclusion of poverty-mitigating actions such as framing the policy thinking around creating opportunities in terms of jobs or poverty mitigation in a community would be seen as sufficient, but the Strategy has elucidated the discussion to being about for whom the policy is creating opportunities. It has made the delivery teams understand that it is not just about creating opportunities, but to adopt a Rawlsian<sup>70</sup> approach and make sure they create them for the right people; for those in poverty or most prone to descend into poverty. In this way it adds depth to policy thinking and the monitoring and assessment of the success of a policy.
- The Strategy has emphasised a focus on monitoring and evaluation and target setting. The Strategy has encouraged different departments to set targets for reducing child poverty, which are included in the TPAP. This makes performance easier to measure, as well as making departments more acutely aware of an objective they need to work towards achieving through focused policy.

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<sup>70</sup> Adopting a social justice maximin strategy which maximises the prospects of the least well-off.

An example of the focus on poverty and on target setting is the education target relating to the attainment gap. Previously education policies focused on the overall proportion of children hitting the targets, not on *which pupils* were or were not hitting the targets or which groups policies would influence. The CPS emphasises the importance of recognising that it is the poorest group of students that would be disproportionately left behind irrespective of how overall attainment levels might be raised. Recently, due to the influence of the Strategy, focus has been on the attainment gap, and how to improve the poor pupils without holding back other pupils.

**Source: Welsh Government stakeholder consultations, July 2013**

- 6.3 The Strategy makes it possible to leverage / maintain funds in order to better target problems related to child poverty in certain communities. Through sustaining child poverty as a high priority for the First Minister, the CPS influences the other departmental ministers and policy-making in these departments. This means that more resources may be available for these programmes with specific poverty objectives.
- Some stakeholders described how justifying a policy with reference to the CPS made them able to leverage funds in order to tackle a specific community problem. It also means that the work of different departments focused on child poverty or influenced by the TPAP, will be more recognised cross-departmentally, and get more buy-in because of the Strategy.
  - Furthermore, some stakeholders said that the CPS was very important in terms of protecting policies from being cut. In the tough economic climate with cutbacks being necessary, the CPS may have had the implicit function of saving policies from being cut, such as the EMA, or keeping certain policies, such as free swimming lessons and museum visits. Again, it is extremely difficult to measure the impact of the Strategy on these issues, but several stakeholders mentioned this as one of the accomplishments of the Strategy and the focus on child poverty as a priority in the Welsh Government.

6.4 However, while the Strategy may have been a product of child poverty becoming a high priority, it is very difficult to distil the actual impact of the strategy. The Welsh Government and the departments may still have had child poverty as a priority in the absence of a written strategy, because ministers have made it a high priority anyway. Furthermore, some stakeholders spoke of the CPS as just one of the things they need to reference in their policy material, in terms of a “tick-box” exercise (together with equalities, the environment etc). One stakeholder thought that a focus on child poverty should be implicit in all the work that the Welsh Government does anyway and that having the policy was “immature”.

### **Strategic actions**

6.5 The TPT represents an evolution of the Child Poverty Team that had been in place in the Welsh Government since 2005. The key activities of the TPT comprise: lobbying central and local government, and the UK government, to promote the aims of the CPS and maximise funding for relevant policy; collaborating with stakeholders within and beyond Welsh Government policy teams; acting as a ‘policy gateway’, strengthening the links of new policies and programmes to the child poverty agenda by ensuring they were maximising support to low-income families; disseminating evidence about ‘what works’ in tackling child poverty across government; and using a network of Poverty Champions to promote the tackling poverty agenda across central government and public bodies, and to ensure that knowledge of how best to tackle child poverty is entrenched across government.

6.6 The TPT seeks to influence the following in relation to programmes that have a bearing on the three core objectives of the CPS:

- Policy design (Rationale, Objectives, Appraisal): the TPT aims to ensure policy design is evidence-based, and that evidence-based approaches to tackling child poverty are prioritised in policy-making within the key policy areas which can influence child poverty. Furthermore, the TPT aims to ensure all new policies and

programmes maximise their support to low-income families. Finally, the TPT links in with the Equality Impact Assessment process to ensure that when policy is being developed consideration is given to potential impacts on tackling poverty and the outcomes for those with protected characteristics.

- Policy and programme delivery (Monitoring): the TPT aims to ensure approaches to tackling child poverty are prioritised in the way policies are implemented, and that policy implementation is adapted to enhance the impact on child poverty. The TPT, through the Implementation Board, also holds departments to account for delivering the key targets and milestones in the TPAP.
- Policy review (Evaluation and Feedback): the TPT aims to build the evidence base of 'what works' in tackling child poverty and to raise politicians', policy officials' and analysts' awareness of this evidence, so that they are able to work together to apply evidence in future policy development.

### *Impact on policy design*

6.7 Feedback relating to the work of the TPT and its impact was varied by policy area. Most policy teams considered themselves experts in the evidence of what works in their areas in Wales. Many policy teams stated that they were aware of evidence of what works, and they are collecting this themselves in their respective departments. They saw the work of the TPT to encourage departments to collect and utilise evidence about what works rather than disseminating it themselves.

6.8 Many meetings with the TPT have taken place across the policy teams, and TPT do have a presence at key programme design / implementation meetings where they have inputted on target focus and setting. Some stakeholders mentioned how applications for funding of projects now have to make explicit the focus of child poverty, although the actual influence of this on applications is yet to be seen as it is too early to tell whether there has been a difference in their focus. Stakeholder consultations reveal that CPS and TPT have also had an impact on the delivery teams in terms of departments making them aware of the child

poverty focus. While tackling child poverty may have been a priority for the department, and thus for policy development team, this was not always the case for the delivery team.

One stakeholder describes the impact of the TPT on programme delivery as one of the main effects on changes to the policy; part of the CPS and the TPAP implementation has led to a review of existing programmes to make sure that the delivery teams and suppliers are clear on the aims and the objectives relating to poverty, and are able to monitor the outcomes.

**Source: Welsh Government stakeholder consultations, July 2013**

- 6.9 The role of Tackling Poverty Champions is to work with the TPT across Welsh Government departments in order to promote the tackling poverty agenda across central government and public bodies, and to ensure that knowledge of how best to tackle child poverty is embedded. This has helped to enhance the visibility of poverty as a key pillar of Welsh Government's mandate, however (when the consultations took place in July 2013) their specific role as a Champion was unclear to many. Evidence from the consultations show that in a number of cases it was not considered to change the way the champion does their job / their role. Some stakeholders mentioned that they see Champions as carrying out the role they are expected to do anyway, in terms of looking at evidence and what's worked in their department, and did not see them as adding anything different as a result of being a designated 'Champion'.
- 6.10 However, some stakeholders believe that Champions, being people embedded in the department policy making processes, are integral in considerations for what effects the policy will have on child poverty. As part of the policy process, they have "ensured that Tackling Poverty and Child Poverty have been fully considered in the preparation, consultation and launch of the new policy". Champions are invited to review policy to see the impact it will have on child poverty, and some stakeholders

describe the working relationship as good and that they expect to continue working together in the future. From Deputy Director up it was considered that Champions can have a better influence on shaping policy in line with the tackling poverty agenda.

*Impact on Policy and programme delivery*

- 6.11 In recent months there has been a shift in priorities in some areas in line with the importance placed on the TPAP and the outcomes it hopes to achieve being better integrated in these areas, for example education, skills and regeneration programming. TPT have had a strong role in linking up some of the programmes which should enhance overall impact and value for money – the area of most progress related to Communities First and other programming work (the close proximity between TPT and the Communities First teams was cited as pivotal in this happening). It was considered that this could be done more systematically and that the TPT could have a key role in doing it.
- 6.12 The CPS and the TPT has also been successful in coordinating funding and making the focus on child poverty cross-departmental, increasing the cooperation between different departments and programmes. In meetings with the private sector, the voluntary sector and business representatives, recently child poverty and the TPAP has been taken up for the first time, discussing the impact it will have on them and help develop policy incorporating considerations for child poverty. Furthermore, because of the focus on CPS and TPAP, funding can be leveraged in order to add value.

An example of the TPTs influence in leveraging funds is a regeneration project in Barry. This was a Flying Start area, which focused on improving the community and getting jobless households back into work. However, the children's centre did not have capacity to accommodate the children for the parents to go to work, and the FS money was not enough to improve it. The regeneration team were able to leverage FS money because of the holistic approach to poverty and renovate the children's centre.

**Source: Welsh Government stakeholder consultations, July 2013**

### *Impact on Policy review*

6.13 Since the Welsh Government stakeholder consultations were conducted in July 2013, the TPT has been getting more involved in programme evaluations. For example, it is involved in discussions about the development of common performance measures across tackling poverty programmes such as Communities First and Families First and is working with colleagues developing the early years and childcare framework, in order to align population indicators between that framework and the TPAP.

### **Summary**

6.14 The Strategy forms a useful narrative around what the Welsh Government and the distinct policy teams are seeking to achieve, and can act as a useful 'marketing tool' internally when seeking to highlight the potential contribution a policy team's work will make and externally to stakeholders about the focus and contribution of the Welsh Government. It is also considered a useful tool for justifying protection of certain programmes such as EMA, free swimming lessons and entry to museums etc. In addition, the strategy's existence has encouraged policy teams to focus targeting on those who are living with the effects of poverty – in particular the regeneration and education teams cited this.

- 6.15 Part of the CPS and the TPAP implementation has led to a review of existing programmes to make sure that the delivery teams and suppliers are clear on the aims and the objectives, and are able to monitor the outcomes. TPT have had a strong role in linking up some of the programmes which should enhance overall impact and value for money. The area of most progress related to Communities First and other programming work. It was considered that this could be done more systematically and that the TPT could have a key role in doing it.
- 6.16 The Poverty Champions have helped to enhance the visibility of poverty as a key pillar of Welsh Government's mandate. However, their specific role as a Champion was unclear to many and in a number of cases it was not considered to change the way the champion does their job / their role.
- 6.17 Many meetings with the TPT have taken place across the policy teams, and TPT do have a presence at key programme design / implementation meetings where they have inputted on target focus and setting. Collecting and disseminating evidence of what works elsewhere is something which the TPT could do more of. TPT is now playing a greater role in the policy review process, helping to develop evaluation targets and monitoring frameworks.

## **7 Review of other child poverty strategies**

- 7.1 The evaluation included a review of other child poverty strategies, with the aim of identifying any lessons learned from the development and delivery of these strategies that could be applied to Wales. We considered national strategies in the UK (from 2011, not the new UK Child Poverty Strategy issued for consultation in February 2014) as well as the Republic of Ireland and some of the English regions. The evaluation review focussed on the strategies produced for Northern Ireland, Scotland, and London, and included a review of documentation as well as consultations with key stakeholders, including one stakeholder from government or the civil service, and one external stakeholder involved in the strategy development.
- 7.2 Overall, the Wales strategy was more advanced than other strategies, both in terms of the time it was launched (much earlier) and its content (more detailed and thorough). In particular, the monitoring and measurement was seen as a standard to aim for. There were still lessons from the other strategies, however, and these are the focus of this chapter.

### **Other UK strategies**

- 7.3 A common element of the strategies reviewed and the Wales strategy was the emphasis on parental employment. In all the documents reviewed, there was consensus that work was the best route out of poverty. To this end, education, and the educational attainment of poor children in particular, is central.
- 7.4 Beyond this, though, there were key differences. The UK-wide strategy from 2011<sup>71</sup>, for instance, makes little mention of income, emphasising family breakdown and debt in a way other strategies do not (although the draft 2014 strategy<sup>72</sup>, which is currently undergoing consultation, places much more emphasis on tackling worklessness and increasing

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<sup>71</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/177031/CM-8061.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/177031/CM-8061.pdf)

<sup>72</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/285387/Cm\\_8782\\_Child\\_Poverty\\_Strategy\\_Consultation\\_Print.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/285387/Cm_8782_Child_Poverty_Strategy_Consultation_Print.pdf)

earnings, improving living standards and raising the education attainment of poor children). The report of the London Child Poverty Commission was very outward looking. One of its main findings related to the need to push central government to continue progress on reducing child poverty and recognise that the national targets for reducing child poverty could not be met without significant reductions in the capital.

7.5 Table 9.1 summarises the areas of focus that each strategy had in common with the Wales strategy of 2005. It also shows some key areas of additional focus, much of which is due to timing rather than differences between places – in-work poverty was a much more widely recognised issue in 2009 than 2005.

**Table 9.1: Summaries of other strategies and similarities in content with 2005 Wales strategy**

	<i>Scotland</i>	<i>London</i>	<i>Northern Ireland</i>	<i>UK</i>	<i>Republic of Ireland</i>
Date	2011/2014	2008	2011	2011/2014	2006
Main aims	Maximising household resources; improving children's well-being and life chances; well-designed and sustainable places	No aims but developed 26 recommendations, across child development, incomes, employment and housing	1. reducing poorly paid work and unemployment amongst adults with children 2. improving longer term prospects through child-based interventions which are designed to tackle the cyclical nature of child poverty	Key drivers identified as tackling worklessness, tackling debt, strengthening families, tackling educational failure, tackling poor health	Childhood development, improving education and health, income
Key similarities with Wales	Focus on raising incomes by reducing worklessness, local collaboration	Focus on raising incomes by reducing worklessness and education	Focus on raising incomes by reducing worklessness and education (via early intervention)	Focus on worklessness and education	Focus on raising incomes by reducing unemployment, improving education and health outcomes
Key differences	Assets and capabilities to fight poverty, living wage	Not an actual strategy, focus on lobbying central government	Inclusion of in-work poverty, cost of living	Strengthening families, debt	Part of a larger strategy encompassing framework social agreement

Structures	Cross cutting Tackling Poverty team in SG, Ministerial advisory group including three ministers	Commission chaired by Mayoral advisor, no longer exists	Child poverty sub group and Ministerial poverty forum reporting to Executive Subcommittee on Poverty and Social Exclusion	Cross cutting Child Poverty Unit, lead from DWP, sits alongside Social Mobility unit	Combat Poverty Agency was a public body outside government, integrated into government in 2009
Selected for interview	Yes	Yes	Yes	No	No

Source: Ipsos MORI

7.6 In Scotland, the child poverty strategy of 2011 built on the all ages strategy of 2008. It sits alongside specific strategies for health inequalities and early years. It is very different to other strategies in approach, defining quite different areas such as assets and capabilities.

7.7 In Northern Ireland, the strategy was only produced in 2009. There are some different emphases as a result, on costs of essential goods. There is also an emphasis on work that pays, rather than work in and of itself.

7.8 The remainder of this section reviews key features and learning points from the strategies reviewed.

### Northern Ireland

7.9 The Northern Ireland Child Poverty Strategy<sup>73</sup> sets out the key objectives proposed by the Government to address child poverty in fulfilment of its obligations under the Child Poverty Act 2010. The strategy is a high level strategic paper which is to be followed by a delivery plan detailing the key initiatives, signature projects and measurable outcomes to progress the priorities set out in the plan. This implementation plan has, however, been succeeded by a policy titled 'Delivering Social Change': an umbrella policy for the incremental delivery of the child poverty strategy. Two progress reports have been published which examine trends in macro-indicators of poverty in Northern Ireland, including absolute and relative poverty, and combined poverty and mental deprivation. The government has also gone through a process of developing a child

<sup>73</sup> <http://www.ofmdfmi.gov.uk/de/index/equality-and-strategy/equality-human-rights-social-change/poverty-and-social-inclusion/child-poverty.htm>

poverty outcomes model which uses data collected by departments to measure the impact of specific departmental actions in reducing child poverty. These are set out in the Annex of the 2013 progress report<sup>74</sup>. The model does not set targets, but rather reports on the actions taken in each priority area and the impact these have had. The Child Poverty Strategy will be re-examined in 2014 to ensure it remains focussed on the most effective means of addressing child poverty.

7.10 As part of the review of Northern Ireland's Child Poverty Strategy, two in-depth interviews with individuals knowledgeable in this area were conducted. The interviews highlighted a number of important lessons:

- clear targets, measurements and indications of allocation and spend are crucial;
- an effective strategy requires adequate time and resources to develop;
- the voluntary sector has a wealth of specialist knowledge and should be involved throughout the development, delivery and monitoring process;
- the presence of poverty champions often determine the success of a strategy; integration between strategies or policies related to child poverty reduction is needed.

## **Scotland**

7.11 The Child Poverty Strategy for Scotland, launched in March 2011<sup>75</sup> and updated in 2014<sup>76</sup>, outlines the key objectives and priority actions to address child poverty in Scotland. The overall approach was based on early intervention and prevention. Within this overarching objective, the strategy discusses maximising household resources, improving children's life chances and the role of communities and place. Priority actions were established primarily where there was capacity for collaboration across government and where there were existing measures in place to build upon.

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<sup>74</sup> <http://www.ofmdfmi.gov.uk/de/child-poverty-strategy-second-annual-report-2013.pdf>

<sup>75</sup> <http://www.scotland.gov.uk/Publications/2011/03/14094421/6>

<sup>76</sup> <http://www.scotland.gov.uk/Resource/0044/00445863.pdf>

7.12 Beyond the UK-wide targets set out in the Child Poverty Act 2010, the strategy requires reporting against the national performance framework which outlines national outcomes on indicators such as child poverty, health, housing, and poverty. However, some of the key aims in the strategy lack any clear metrics

7.13 As part of the review of Scotland's Child Poverty Strategy, two individuals were interviewed. The key lessons learned from the development and delivery of the strategy were that:

- without clear measures or indicators it is impossible to link outcomes to actions;
- while the capacity to tackle child poverty is limited with the current devolved powers, much more can be achieved than is currently the case;
- if local areas are to be responsible for delivering the strategy, it must be clear how they are to do so and what their measures of success should be.

## **London**

7.14 The position of London is different from that of Scotland, Northern Ireland or Wales. The Greater London Authority does not have the powers needed to really tackle child poverty – such powers either lie centrally or locally, not in the London region. The aim of the commission was to raise the profile of child poverty in London, identify important issues and make recommendations to regional, local and national government. The lobbying “upwards”, towards Westminster, was a vital part of this.

7.15 The need for a commission arose from the fact that London's child poverty rate was much higher than the rest of the country, and significantly higher than even the next worst region. There was a sense that there was something specific to London that meant child poverty was high – a local factor that did not apply elsewhere.

7.16 Despite the superficial differences, there are lessons from the London Commission that could translate to Wales.

- The “lobbying upwards” was, up to a point, successful – there were concessions in various Budgets to London;
- Having leadership from the Mayor helped identify child poverty as a priority and brought all departments on board. It also helped convince potential sceptics of the benefits of thinking about child poverty in different contexts;
- Identifying factors that related specifically to London was difficult, but did yield some results, e.g. by focussing on lone parent employment.
- The GLA now has no child poverty focus, having wound up the commission in 2010. Those interviewed saw this winding down as appropriate, as the focus shifted to local strategies. However, the aims of local areas are not necessarily aligned. Economic investment in one area may come at the expense of investment in a neighbouring area. This is where a strategic country (or region) wide view may help.

## **8 Impact of the Measure on Local Authorities and Public Bodies**

- 8.1 The Children and Families (Wales) Measure (2010) ('the Measure') placed a duty on Public Bodies, including Local Authorities, as well as Welsh Ministers, to develop and implement Child Poverty Strategies<sup>77</sup>. The Measure reflects the Welsh Government's recognition that child poverty is most effectively tackled when other organisations that can have an impact on it are involved. The Measure is intended to ensure that the actions of Public Bodies contributing to the eradication of child poverty are well-defined and can be monitored.
- 8.2 This chapter analyses the responses of Local Authorities and other Public Bodies to the Measure. Specifically, it explores what they were doing to tackle child poverty prior to the Measure being implemented, how they interpreted the Measure, changes to programming and resourcing of actions to tackle child poverty when the Measure came into place, and the impact of these changes on child poverty in Wales. The chapter assesses the effectiveness and impact of the Measure on the actions of Local Authorities and other Public Bodies to tackle child poverty.
- 8.3 The findings in this chapter are based on a review of Local Authorities' Children & Young People's Plans and Single Integrated Plans and Public Bodies' Child Poverty Strategies, in-depth interviews conducted by telephone with all 22 Local Authorities and nine other Public Bodies<sup>78</sup>, and an assessment of monitoring and evaluation outputs where these were available. Fieldwork was completed between 18 November 2013 and 17 January 2014.

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<sup>77</sup> [www.legislation.gov.uk/mwa/2010/1](http://www.legislation.gov.uk/mwa/2010/1)

<sup>78</sup> Public Bodies interviewed were: the Arts Council of Wales, the Higher Education Funding Council for Wales, the National Library of Wales, the National Museum of Wales, the National Parks Wales, Natural Resources Wales, Public Health Wales, Sport Wales, the North Wales Fire and Rescue Service.

## **Context prior to the Children and Families (Wales) Measure (2010)**

- 8.4 Prior to the introduction of the Measure, all Local Authorities and other Public Bodies were delivering services that contributed in some way towards tackling child poverty, but there was a wide spectrum in terms of the level of focus given to child poverty. Some Local Authorities had individuals or teams specifically tasked with tackling child poverty and saw this as one of the main remits of their organisation, whilst others tackled child poverty indirectly through delivering statutory services that in some way improved the lives of children living in deprived neighbourhoods or in lower-income families. Similarly, Public Bodies contributed to improving the experiences of poorer children through fulfilling their remits, many of which included aims specifically related to improving access or focussing on more deprived areas, or vulnerable or at-risk groups. However, in cases where these kinds of objectives were less explicit, child poverty was given far less attention.
- 8.5 Prior to 2010 there were various statutory requirements on Local Authorities to develop partnerships and produce plans and strategies. Some Local Authorities included aims related to tackling child poverty in these partnerships and plans. Since 2000 when Children and Young People's Framework Partnerships began to be established in Local Authorities, Local Authorities have had teams responsible for services for children and young people, working in partnership with other local organisations. In some Local Authorities, these Framework Partnerships had specific aims related to child poverty. For example, one Local Authority's Framework Partnership focussed on vulnerable groups, young carers and disabled people.
- 8.6 In 2004, the Children Act was passed, requiring each Local Authority to "publish a plan setting out its strategy for discharging its functions in relation to all children and young people"<sup>79</sup>. From 2004 to 2012 when each Public Body was required to develop a child poverty strategy, these Children and Young People's plans (CYPPs), which were updated in 2008 and 2011, were the overarching strategies used by Local

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<sup>79</sup> Children in Wales, "Children and Young People's Plans", accessed online on 27 January 2014 at <http://www.childreninwales.org.uk/inyourarea/singleplans/index.html>.

Authorities to identify desired outcomes for children and young people and to plan their services. Again, the focus was on children and young people broadly, rather than on child poverty specifically, and Local Authorities focussed on different priorities in their CYPPs, according to local needs. Some did, however, include a 'core aim' related to tackling child poverty, linked to the UN Convention on the Rights of the Child. The impetus for this appeared in many cases to be tied to having a senior person enthusiastic about tackling child poverty. Often this was the political leader of the Council, but in some cases it was a senior officials in the Local Authority (often in the Children and Young People's team).

*“Our Local Authority structured partnerships relating to the Children and Young People's Plan under 7 strategic groups, using as guidance the UN Convention on the Rights of the Child. Group 7 is leading on child poverty and has an overseeing role relating to this.” – Local Authority*

- 8.7 Local Authorities that had a child poverty-related objective or a child poverty team varied in how broadly or narrowly they defined child poverty, and this impacted on the types of services and programmes they delivered. Most commonly, child poverty was seen as an income issue, rather than as encompassing multiple types of deprivation, including impacting on access to culture, educational attainment and health. This led to programming that focussed mainly on adult skills and employment training and NEETs. Others took a slightly broader view. At least one Local Authority included an objective in its CYPP that no child would be disadvantaged because of poverty, but had difficulty ensuring partner organisations understood that this meant more than just tackling economic poverty.

*“We first started looking at poverty in the 1980s when the colliery closures began and we realised we had an inappropriately skilled workforce. We see tackling child poverty not just as a children and*

*young people's issue but as an economic issue – it's about supporting the economy.” – Local Authority*

- 8.8 Those working in teams that had a remit to tackle child poverty prior to 2010 frequently mentioned how difficult it was to communicate to colleagues working on services unrelated to family income that they too could contribute to the child poverty agenda, and how little leverage they had to encourage colleagues to modify programmes so that they tackled child poverty more effectively. Interviewees commented that colleagues often saw poverty-related actions as being add-ons to their day-to-day roles, rather than integral parts of them. These factors meant that even where child poverty was specifically recognised as an issue, it was not necessarily prioritised above other objectives related to children and young people, and actions to tackle it were often uncoordinated or not mainstreamed across all relevant services.
- 8.9 The main types of services and programmes related to child poverty being delivered prior to the Measure were those aimed at growing the local economy, increasing employment through improving skills and access to adult education, improving educational attainment and decreasing the rate of NEETs. In some cases these programmes were aimed at particularly vulnerable groups such as lone parents and may have included an element of removing barriers, such as through providing childcare to enable parents to access further education courses. Another area of focus prior to 2010 was on improving the health and wellbeing of children, in particular, reducing child obesity and reducing the number of low birth weight babies. Many Local Authorities also had services offering intensive support to families with complex needs.
- 8.10 Although the TPAP was not in place until 2012, it is useful to compare the types of services being offered at this time to the three core aims defined in the TPAP, to explore how this changed after the Measure was introduced and TPAP was published. Because prior to 2010 poverty was most often understood primarily to be about income, most programmes could be said to have been contributing to the TPAP aim of helping people to improve their skills and enhance the relevance of their

qualifications to support them into employment. The aims of preventing poverty and mitigating the impact of poverty were often not explicit, and were tackled through the delivery of statutory services or programmes funded by the Welsh Government such as Flying Start, Families First and Communities First rather than programmes unique to Local Authorities.

## **Interpreting and responding to the Measure**

### *Interpreting the Measure*

- 8.11 When the Measure was introduced, the first task for Public Bodies was to understand what was required of them under the Measure. To support Public Bodies, in addition to the legislation itself, the Welsh Government created the Child Poverty Solutions website<sup>80</sup>. Guidance for Local Authorities, called *Shared Purpose – Shared Delivery: Guidance on integrating Partnerships and Plans*<sup>81</sup>, had also been introduced as part of the move towards the Single Integrated Plans, while other Public Bodies could refer to *Tackling Child Poverty: Guidance and Regulations for Welsh Authorities*<sup>82</sup>.
- 8.12 Interpreting what was required of them was not an issue for most Public Bodies. All Public Bodies used the legislation itself to understand what they had to do, and a small number supplemented this with additional sources, such as the Child Poverty Solutions website and Welsh Government guidance. An evaluation of the Child Poverty Solutions website published in 2013 found that although there was evidence that the site had been “well received and [was] viewed as ‘a very useful and valuable resource’”, it was not used by all Local Authorities and was not always kept up-to-date<sup>83</sup>. In fact, when the Welsh Government guidance

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<sup>80</sup> [www.childpovertysolutions.org.uk](http://www.childpovertysolutions.org.uk). This website has subsequently been shut down.

<sup>81</sup> Welsh Government, *Shared Purpose – Shared Delivery: Guidance on integrating Partnerships and Plans* (2012), accessed online on 27 January 2014 at <http://wales.gov.uk/docs/dpsp/publications/130205sharedpurpdeliveryv2en.pdf>.

<sup>82</sup> Welsh Government, *Tackling Child Poverty: Guidance and Regulations for Welsh Authorities* (Merthyr Tydfil: Child Poverty Unit, Communities Division, 2011), accessed online on 27 January 2014 at <<http://wales.gov.uk/docs/caecd/publications/110513tacklingen.pdf>>.

<sup>83</sup> Arad Research, *Evaluation of the effects of Child Poverty Solutions Wales* (Merthyr Tydfil: Welsh Government Social Research, 2013), accessed online on 31 January 2014 at

was issued in May 2011, the new phase of the website intended to support Local Authorities to develop their strategies had not yet been launched, which some Local Authorities found frustrating as this source of information was not ready to be used<sup>84</sup>. A few mentioned meeting with Welsh Government officials. Some of those who used the guidance thought that it was not very clear or described it as “difficult to understand”.

*“The Welsh Government guidance was not very helpful. It wasn’t so much guidance as directions – this is what you need to do.”* – Local Authority

8.13 Most stated that there was a level of ambiguity in the legislation (and some thought the official guidance too), but were divided about whether or not this was a benefit. A minority thought this was an advantage as it enabled them to build on what they already had in place and ensured an approach tailored to the specific strengths and problems of each Local Authority.

*“The lack of clarity in the legislation and official guidance implied to us that how to interpret it should be done at a local level, taking into account what is appropriate for our Local Authority, and tweaking things according to our local circumstances. This is a positive thing.”* – Local Authority

8.14 A slightly larger group felt that the lack of detail in the legislation was unhelpful, as it left too much room for interpretation and was not clear enough about what action was required. Many Public Bodies also felt that the legislation did not explicitly outline what it sought to achieve, and would have liked more of a steer from the Welsh Government on the outputs they were expected to deliver. This was thought to be one of the

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<<http://wales.gov.uk/docs/caecd/research/130304-evaluation-effects-child-poverty-solutions-en.pdf>>: 10.

<sup>84</sup> This phase of the website was ultimately launched in November 2011.

main barriers to developing Child Poverty Strategies that would contribute towards the Welsh Government's aims.

8.15 It is also worth noting that there was a level of confusion amongst those working in Public Bodies about the various plans and strategies in place. While most were aware of the CPS and the TPAP, many did not know the three key aims of the TPAP and did not understand how it related to the CPS. Some expressed fatigue with regards to the number of different strategies and plans introduced, stating it was difficult to keep abreast of new developments and understand how they related to other plans already in place.

### **Responding to the Measure**

8.16 In line with the move to integrated partnership working, in 2012 the Welsh Government mandated the development of Single Integrated Plans (SIPs), which would cover a number of statutory requirements for plans, including Community strategies; Children and Young People's Plans (including the requirements under the Measure); Health, Social Care and Well-being Strategies; and strategies for the reduction of crime and disorder, strategies for combating the misuse of drugs, alcohol and other substances, and strategies for the reduction of re-offending<sup>85</sup>. As SIPs have come into being they have gradually been replacing Children and Young People's Plans as the main document setting out how Local Authorities will tackle child poverty. Other Public Bodies have documents called Child Poverty Strategies.

8.17 In order to create their Child Poverty Strategies or to inform the development of the SIP, most Public Bodies went through a similar process. The first phase generally included research on child poverty. Public Bodies accessed data from Data Unit Wales and other sources, as well as using their own data, to understand needs in their local areas. Many spoke about the necessity of using neighbourhood-level data in addition to Local Authority-level data to understand where particular

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<sup>85</sup> Welsh Government, "Shared Purpose – Shared Delivery", accessed online on 27 January 2014 at <http://wales.gov.uk/topics/improvingservices/publicationevents/publications/sharedpurpdel/?lang=en>.

needs were more prevalent. Some also used data from social services on groups of families to better understand the problems they were facing. A few Local Authorities conducted consultations with citizens to better understand what they perceived to be priority issues.

- 8.18 Then, working in partnership with other local organisations such as Local Service Boards, Public Bodies assessed what programmes they already had in place to tackle the three aims of the CPS. Public Bodies also compiled monitoring data and programme evaluations to understand the impact of programmes already in place. They then identified what further provision or changes to existing programmes would be required to achieve their objectives.

*“We ran a series of workshops about what the Measure meant for the organisation as a whole. It was mostly about getting people to look at what they were already doing. Through this process people realised that things were already happening.” – Local Authority*

- 8.19 This phase of working with other organisations to determine programmes already in place often involved supporting a cultural shift to a broader definition of child poverty. Many of those interviewed described having to educate colleagues about how in their roles and through their programmes they either already were contributing or could contribute to tackling child poverty.

*“Having the three key aims gave us more leverage to expand the definition of poverty and actions to address it.” – Local Authority*

*“Having the three CPS aims integrated in the Single Integrated Plan made it clearer what tackling child poverty means for our partners. It emphasises that child poverty is not just about how much money the family has, but is also about access, equality, and barriers, meaning that all partners have a role to play in alleviating child poverty. We had been trying to get this message across for a long time, and the integrated plan has really helped with this.” – Local Authority*

8.20 Most described this process of mapping existing provision as reaffirming that they were already doing most of the things they needed to do to achieve the CPS aims. In most cases, Public Bodies found that they could draw existing programmes under the child poverty umbrella, rather than needing to create new ones.

*Impact of the Measure on Public Bodies' approaches to tackling child poverty*

8.21 Most Public Bodies have not established new programmes. This is because in most cases, there were already programmes in place that would enable them to tackle the three TPAP aims, although none of the Local Authorities or Public Bodies structured their programmes according to those aims.

*“We have not drastically changed the services we have in place or the way we allocate resources. The Measure reaffirmed what we were already doing.”* – Local Authority

8.22 The Measure has, however, had a number of other impacts on the child poverty-related work of Public Bodies.

- **Imposing a duty to develop a Child Poverty Strategy has ensured that Public Bodies are working within a framework and towards explicit aims in this area, which has helped to improve coordination between different organisations and programmes at a local level.** The initial phase of the process of developing a strategy involved examining existing provision, which led to a better understanding of all the programmes each Public Body had in place. Moreover, to fulfil the monitoring requirements, many Public Bodies have created structures tasked with monitoring all their child poverty-related work which has led to better coordination within the organisation and with partners.

*“The dots were there, the measure enabled us to connect those dots.”* – Local Authority

- **Elevating tackling child poverty to the level of a statutory duty has raised its profile as a priority issue to address, both at a political level and at an implementation level.** Tackling child poverty can no longer be seen as just a moral issue, but is now a legal one. Leaders of Public Bodies are now more aware of the work going into tackling child poverty and are more involved in monitoring the results. One Local Authority leader has even made child poverty a personal performance measure – he reports to Cabinet as part of his annual appraisal about what has been done and what impact the actions have had. At an implementation level, this lends more weight to those trying to push this agenda forward, and gives them greater leverage when working with teams that may not previously have seen this as a priority. One official in an LA who is now an Anti-Poverty Champion described how tackling poverty was previously seen as a “fluffy, nice thing to be doing”, but that colleagues considered there to be “more important work to be done”. While most thought that making tackling child poverty a statutory duty was a positive step, some considered that the Welsh Government places increasing numbers of duties on Public Bodies without taking any away and while reducing the total amount of funding they receive.
- **A small number of Public Bodies have made changes to existing programmes as a result of the Measure. These changes include refining programme targeting and modifying programme content.** For example, some have moved away from universal provision and certain programmes are now targeted at the most deprived.

*“We are now targeting resources more toward underprivileged areas than ever before.” – Public Body*

Even where the same beneficiaries can still access the programme, those managing the programme are more focussed on improving

outcomes for the most deprived. For example, they monitor programme access and outcomes for the most deprived quintile against the least deprived quintile to try to understand and improve disparities. This was a particular theme amongst non-Local Authority Public Bodies. In some cases, programme content has been modified as it is thought different content will have more of an impact on poverty. For example, one Local Authority has made adult education more focussed on essential skills for employment rather than on subjects adults might study for leisure.

- **There has been a very small shift in resource allocation in some Public Bodies. Many state that they are funding existing staff members to spend more time on the child poverty agenda, and a very small number have established small-scale new programmes, scaled up existing programmes or are funding programmes themselves where grant funding has been discontinued.** In many Local Authorities there is now an individual or small team in place to monitor all child poverty-related programmes and produce reports for the leader of the Local Authority and the Local Service Board. This team may also respond to queries and requests for information about child poverty. In most cases this team is not made up of new staff members (although one Public Body did hire two additional staff members in response to the Measure), but rather involves existing staff taking on additional responsibilities in relation to child poverty. This additional time spent on child poverty is funded by the Public Body. In addition, a few Public Bodies have created new programmes (but do not necessarily fund them themselves), scaled up programmes or continued funding programmes which may otherwise have been discontinued, because they were particularly effective in achieving their aims and would have an impact on child poverty. Some also spoke about becoming more proactive about seeking resources for programmes in this area.

*“We’ve changed how people spend their time. They now spend substantially more time submitting proposals to obtain resources, for example from DWP.” – Local Authority*

*“We found an additional £300,000/year of funding to continue a programme providing transportation to NEETs not on bus routes so they could attend skills training, because we could see that it was working. The programme used to be ESF-funded, but now we have had to find the money from within our own budget.” – Local Authority*

- **There is an increased emphasis on monitoring and evaluating trends in the local area and programmes.** Because of the regulation to publish a review report of their child poverty strategies, many Public Bodies are improving their monitoring and evaluation capabilities. While most Public Bodies already monitored programme outputs and in some cases outcomes, this tended to be done at a single programme level. Now, Public Bodies have a better sense of the impact of all their actions together to tackle child poverty.

*“We are spending more time collecting and interpreting data at a more granular level. For example, we examine unemployment data by age group on a month-by-month basis at a ward level. This enables us to target programmes and resources where there are real issues.” – Local Authority*

### **Organisational structures for tackling child poverty**

8.23 As previously alluded to, many Public Bodies had developed new structures to coordinate and monitor actions to tackle child poverty. Every Local Authority had an Anti-Poverty Champion (APC) in place at the political level, usually the elected head of the Council. Additionally, many also had senior officials who were APCs, or an individual who fulfilled a similar role but was not called an APC. These individuals often volunteered for the position, although some described having to go through a competitive process to be appointed. They often had roles that

had previously involved an element of responsibility for tackling child poverty or for children and young people's services more generally. In some instances they were the Head of Children and Young People's services. Only some of the other Public Bodies had APCs.

- 8.24 In most cases senior officials who are APCs have regular daily responsibilities as part of their wider role, but additionally dedicate time to child poverty. Their child poverty-related activities often include raising the profile of the Public Body's child poverty aims within the organisation, sending regular updates to ensure key people are kept up-to-date on emerging issues and acting as a point of contact for those within the organisation on child poverty-related issues. They dedicate more time to child poverty at key points in the year, such as when six-monthly or annual monitoring reports are due. It is often the APC's role to obtain data from the programmes and collate it into a report for the Local Service Board and leader of the Council or head of the Public Body. APCs are often also responsible for ensuring the aims in their SIP/Child Poverty Strategy are still the right ones, and updating them when necessary.
- 8.25 In Local Authorities, it is usually the LSB that is ultimately responsible for pushing forward the child poverty agenda. Other Public Bodies often do not have a main responsible body; in the case of those that do, it is normally a strategic committee or the Board of the organisation.

### **Impact of the changes on child poverty in Local Authorities and Wales**

- 8.26 This section explores how Public Bodies are monitoring progress in tackling child poverty, included frequency of monitoring, tools used, and indicators measured. It also explores what impact, if any, the Measure has had on child poverty to date.
- 8.27 Regulation 6 of *The Child Poverty Strategy (Wales) Regulations 2011* requires Public Bodies to undertake a review of their first child poverty strategy by 31 March 2014<sup>86</sup>. Reviews must be conducted every three

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<sup>86</sup> Welsh Government, *Tackling Child Poverty: Guidance and Regulations for Welsh Authorities* (Merthyr Tydfil: Child Poverty Unit, Communities Division, 2011), accessed online

years thereafter, and must be published on the website of the Public Body. This requirement has led many Public Bodies to improve their monitoring and evaluation capabilities, although it is suggested that some could go further in this.

- 8.28 Currently, most Public Bodies use a combination of self-evaluations, independent evaluations and monitoring data to assess performance. Any programme that uses European Social Fund (ESF) funding must be independently evaluated at the expense of the beneficiary of the funding. Most Public Bodies self-evaluate other programmes, and also use monitoring data from the programmes to track progress.
- 8.29 Most Public Bodies report on progress to the LSB, strategic committee or Board every six months to one year. This is the first coordinated monitoring of progress tackling child poverty that some Public Bodies have ever conducted. In the past many assessed individual programmes but did not aggregate the results of every programme relevant to the child poverty agenda to obtain an overview of their effectiveness in this area. Most Public Bodies are also looking at whether their targets are still appropriate, as part of this monitoring process.
- 8.30 Evaluating the impact that the Measure has had on child poverty to date requires an assessment of how the Measure has changed Public Body services and programming, and the impact that those changes have had on child poverty. Public Bodies reported that the Measure had had a very limited impact in terms of new programmes and had resulted in the dedication of only a small amount of additional resource for programmes (although these were not specific aims of the Measure). It is not possible to measure the impact of the very small number of additional programmes or the dedication of additional resource on child poverty, as the Public Bodies will only be measuring the programme outputs and outcomes, and even this data are not yet available in most cases.
- 8.31 Public Bodies thought the Measure had, however, had an impact in terms of raising the profile of child poverty, enabling better coordination of programmes and services, and encouraging Public Bodies to

implement better monitoring systems which in turn enable them to target resources at those areas or groups that most need support. However, the impact of these strategic changes is likely only to become apparent in the longer term through the increased effectiveness and impact of programmes.

- 8.32 Public Bodies also had concerns about assessing the impact of their actions to tackle child poverty more generally. Public Bodies drew a distinction between measuring outcomes, such as moving individuals into work, and the impact on child poverty. Some Public Bodies have not attempted to measure impact, because they believe they have little influence over many of the drivers of child poverty. This has led them to argue that it is better for them to focus on measuring the outputs and outcomes of programmes, such as numbers participating in programmes and satisfaction levels of beneficiaries with programmes.

*“The macro-economy has more influence on child poverty than us as a Local Authority. We cannot make a difference on the major indicators. We can only measure success at a project level, such as looking at how many looked after children have plans to get them into employment, training and education.”* – Local Authority

- 8.33 Others are trying to measure impact, either of programmes or on child poverty, although not always in a very robust way. For example one Local Authority uses participants’ self-assessments of progress to measure programme impact. Those that are trying to measure impact at a programme level acknowledge that this is easier for some programmes than for others. Some are using the Results-Based Accountability™ (RBA) Framework as a performance management tool. RBA involves specifying the results a programme seeks to achieve, in terms of population and performance outcomes, considering what it would take to achieve those results, and assessing performance by

answering three key questions: How much did we do? How well did we do it? Is anyone better off as a result?<sup>87</sup>

*“We use the Results-Based Accountability framework to assess impact. This involves asking three questions: ‘How many?’, ‘How well?’ and ‘Is anyone better off?’ This last question is easier to answer for some programmes than for others.”* – Public Body

8.34 A few Local Authorities examine how they are performing on macro indicators of child poverty, and compare this to the performance of Wales as a whole and of other Local Authorities in Wales. Most of these say that the indicators have not changed, which they feel shows they have had “absolutely no impact”. Some of those in this group also expressed concerns about the indicators they are using. In one case, the choice of indicators was restricted to those with a five-year history and which are reported annually, but they were felt not to be the best indicators.

8.35 Many also argued that it was too soon to measure impact, and that interim measures of impact did not mean much given how long it generally takes to see an impact from programmes aiming to tackle poverty.

*“Taking someone out of unemployment is not the same as lifting someone out of poverty. It’s debatable if you can see that impact until their children start their own families.”* – Local Authority

8.36 Very few mentioned assessing the value for money of programmes, another important aspect of evaluating programmes, and one which has already been identified as a weakness of Welsh Government programme evaluations.

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<sup>87</sup> For more information about RBA, please see, for example: [http://www.raguide.org/1\\_1.shtml](http://www.raguide.org/1_1.shtml).

## Summary

- 8.37 Prior to the Measure being introduced, all Public Bodies were delivering services that contributed in some way towards tackling child poverty. However, Public Bodies varied in the extent to which child poverty was considered a priority and the level of coordination of services contributing to tackling child poverty. Some already had a dedicated person or team in place, while others did not have specific aims or teams but simply contributed to reducing child poverty by delivering their statutory duties.
- 8.38 Interpreting what was required of them under the Measure was not an issue for most Public Bodies. They used the legislation itself to understand this, and some also drew on the guidance issued by the Welsh Government as well as the advice of Welsh Government officials. Many did comment on the level of ambiguity in the legislation about what they were required to do, but were divided on whether they saw this positively or negatively. Most felt that it left too much room for interpretation and was not clear enough about what action was required, and specifically what outcomes it was seeking to achieve. A small number, however, were positive about it enabling them to tailor their response to the needs and priorities of their local area.
- 8.39 There was some confusion amongst those working in Public Bodies about the various plans and strategies in place. While most were aware of the CPS and the TPAP, many did not know the three key aims of the TPAP and did not understand how it related to the CPS. Some expressed fatigue with regards to the number of different strategies and plans introduced, stating it was difficult to keep abreast of new developments and understand how they related to other plans already in place.
- 8.40 Most Public Bodies stated that the introduction of the Measure did not cause them to introduce new services or programmes or to increase the amount of funding allocated to child poverty programmes (and these were not specific aims of the Measure). The Measure did, however, lead to the profile of child poverty as an issue being raised within Public Bodies, and this gave individuals and teams promoting the cause more

leverage over other departments and external partner organisations to support child poverty initiatives. It has also led to a greater level of coordination among programmes with child poverty-related objectives, in part because of the mapping exercise Public Bodies carried out in developing their strategies, and through more coordinated monitoring systems. A small number of Public Bodies have made changes in services, such as targeting more deprived groups or modifying programme content. Finally, a small number are dedicating a modest additional amount of resources to programmes aimed at tackling child poverty, and many are funding staff to spend more time on the issue.

8.41 Improving monitoring and evaluation systems has become a priority for many Public Bodies as a result of the requirement to review progress by March 2014 and every three years thereafter. Public Bodies vary substantially in the quality of their monitoring systems, with the spectrum ranging from those that only measure programme outputs, to those that are attempting to measure impact and value for money.

8.42 Public Bodies reported that the Measure had had a very limited impact in terms of new programmes and had resulted in the dedication of only a small amount of additional resource for programmes. It is not possible to measure the impact of the very small number of additional programmes or the dedication of additional resource on child poverty, as the Public Bodies will only be measuring the programme outputs and outcomes, and even this data are not yet available in most cases. Public Bodies thought the measure had, however, had an impact in terms of raising the profile of child poverty, enabling better coordination of programmes and services, and encouraging Public Bodies to implement better monitoring systems which in turn enable them to target resources at those areas or groups that most need support. However, the impact of these strategic changes is likely only to become apparent in the longer term through the increased effectiveness and impact of programmes.

## 9 Conclusions and recommendations

### Headline conclusions

- 9.1 Positive steps have been taken by the Welsh Government since 2010 to reduce child poverty in Wales, and policies are now in place to support the tackling poverty objectives across the Welsh Government. The Programme for Government<sup>88</sup> further reinforces the tackling poverty agenda by clearly recognising it as one of the Government's three key priorities. It also places an increased emphasis on measuring impact and capturing whether Welsh Government actions to tackle poverty are making a difference.
- 9.2 The effects of this elevation of tackling poverty concerns across Welsh Government can be seen at the level of increased emphasis on the agenda in Welsh Government departments, new programme design, and outputs being generated by programmes.
- 9.3 The Welsh Government is also using Results-Based Accountability™ across a number of its programmes, which has helped to clarify and emphasise the outcomes sought and how activities will lead to those outcomes. It is also important to note, however, that evidence at the level of outcomes and impacts is yet to be realised and captured for some of the Welsh Government's activities.
- 9.4 Whilst Wales is seen to be ahead of a number of other UK regions / areas in terms of its approach to having a strategy for tackling child poverty, it is still lagging behind on key indicators. In general the programming which has been put in place under preventing poverty follows an 'invest to save' approach and is likely to generate results but not in the shorter term. Evidence from this evaluation suggests:
- That more could be done to link economic growth strategies with poverty objectives. For example job creation programmes need to focus more on those with low educational qualifications and skills (under the helping people out of poverty strand);
  - There is no strong evidence that the scale of programming is enough to make the scale of change that is necessary; and

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<sup>88</sup> <http://wales.gov.uk/about/programmeforgov/poverty/performance?lang=en>

- The duty placed on Local Authorities and other Public Bodies has ensured that they have all developed Child Poverty Strategies, which was the principal aim of the duty. At the time of the research (November-December 2014), the Measure had had a very limited impact in terms of new programming or allocation of additional resources to meet child poverty aims (although these were not specific aims of the Measure). The measure encouraged Public Bodies to review their programming and assess it for gaps; in the vast majority of cases this process did not highlight any significant gaps, although a small number of Public Bodies have expanded existing activities, improved targeting to deprived children or begun to deliver new activities as a result of the Measure. The main impacts of the duty have been enhanced coordination between programmes and services at a local level, and improvements in monitoring systems.

## **Detailed conclusions**

### *Child poverty in Wales*

- 9.5 Child poverty in Wales is now higher than it was in 2005. This is driven in large part by a steep rise in the proportion of children in working families who are in poverty. The choice of 2005 as a baseline year has an impact on the results<sup>89</sup>.
- 9.6 Using data available to 14 February 2014, most of the other indicators of work and worklessness also worsened between 2005 and 2012, except the lone parent employment rate which remained unchanged. Indicators of skills and qualifications and housing indicators show a mixed picture of improvement, while health indicators have mostly remained unchanged since 2005.
- 9.7 While the Welsh Government has more of the levers to improve the educational, health and economic outcomes of those households living in poverty, it lacks control over key aspects of macro-economic policy which are likely to influence child poverty rates. These include welfare

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<sup>89</sup> 2005 was a 'good' year, with the lowest level of child poverty in Wales at any point in the last 15 years. If the year before or after was used as a comparison, the rise would have been smaller, however 2005 was the year in which strategy activities commenced hence the use of this baseline year.

policy, monetary policy and fiscal policy, though some devolution of the latter is on the horizon.

*Impact of Welsh Government programming on child poverty in Wales*

9.8 Evidence from the recently published Welsh Government Child Poverty Strategy Progress Report 2013<sup>90</sup> provides detail as to the outputs delivered by programmes which have a focus on tackling poverty for children, young people and their families. This report highlights a number of achievements including but not limited to: assisted childcare places for disadvantaged children, how the link between Jobcentre Plus and Integrated Children's Centres is increasing referrals and that Jobcentre Advisors are meeting and exceeding their targets and delivering employment outcomes, jobs created for young people through the Jobs Growth Wales programme, and how Flying Start is on track to meeting targets for the number of families to which it provides support.

9.9 Beyond the output level data provided by programmes themselves, evidence on what has been produced under the strategy is variable and could be strengthened: some areas such as children and families and health have a stronger culture of conducting robust evaluations. However, evaluations are not always fit to feed into policy at the best times (or with the right level of rigour) which therefore limits what can be concluded about the impact under the strategy. This is the case for a number of reasons, including the way in which programmes are implemented (e.g. lack of comparison areas, beginning to implement the main stage of a programme before pilot evaluation findings are available). In terms of helping people into work the ability to unpick overarching impact is limited by the lack of evaluation at the level of 'Action Plans', 'Strategies' or 'Funds' – often evaluations and / or monitoring is conducted at the level of individual activities and is not considered as a whole.

9.10 Whilst the use of piloting phases is common across programmes this is not always being used to best effect. For example Flying Start was rolled

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<sup>90</sup> <http://wales.gov.uk/docs/dsjlg/policy/131129child-poverty-strategy-progress-reportv2-en.pdf>

out before evidence of impact in the pioneer areas was ascertained, as was IFSS and the Primary School Free Breakfast Initiative. In some cases more rigorous evaluation could have been used during the pilot phases so that the evidence on which decisions were made would be stronger: for example, the Families First pioneer evaluation was mostly qualitative in nature. There is a need for politicians, policy officials and analysts to work together to make sure learning from pilot phases is fed into programme roll-out and future programme design. Learning about what works from pioneer phases or predecessor programmes is rarely cascaded beyond the national level teams and the transfer of knowledge to local areas could be improved. Set against this are some examples of where piloting has been used well – such as the Access to Credit Unions programme.

- 9.11 The scale of what is being proposed and/or delivered in many policy areas will limit the extent to which any Wales-wide change at the level of population indicators will be seen. For example Flying Start, and the youth employment and skills programmes (including Jobs Growth Wales), are small in terms of the number of beneficiaries they are seeking to target compared to the scale of the issue they seek to address.
- 9.12 The evaluation team has not seen any evidence of significant coordination between programmes aiming to help people into work and programmes aiming to create jobs. It is possible that this may limit what the second strand of the Tackling Poverty Action Plan (TPAP) can achieve.
- 9.13 The stakeholder consultations revealed a concern across a number of policy leads that the assumptions underpinning what is anticipated to be achieved under the strategy do not hold true. For example the role of the UK Government, the scale of the interventions and the difficult economic climate over the period 2008 to 2013 were unlikely to aid the successful realisation of the high level strategy outcomes (for example –the eradication of child poverty by 2020).

### *The impact of having a strategy*

9.14 Evidence suggests that the 'strategy effect' does exist to some extent.

This strategy effect has varied over time linked to the ministerial and external climate (e.g. EU funding priorities). These effects have been significantly enhanced recently by Ministerial communicated priorities. In the main, the strategy forms a useful narrative around what the Welsh Government and the distinct policy teams are seeking to achieve, and as a useful mechanism internally when seeking to highlight the potential contribution a policy team's work will make and externally to stakeholders about the focus and contribution of the Welsh Government. The strategy was also a useful tool for justifying protection of certain programmes such as the Education Maintenance Allowance (EMA), free swimming lessons and entry to museums, etc. In addition, the strategy's existence has encouraged policy teams to focus targeting on those who are living with the effects of poverty.

9.15 The Tackling Poverty Team (TPT) has had a strong role in linking up some of the programmes which should enhance overall impact and value for money – the area of most progress related to Communities First and other programming work. It was considered that this could be done more systematically and that the TPT could play a key role here. There is also a greater role for the TPT to play in the policy review process, setting evaluation targets and monitoring frameworks (to ensure that policies and programmes are considering impact in terms of improving the outcomes of low income families).

9.16 Tackling Poverty Champions have been put in place across Welsh Government departments and this has helped to enhance the visibility of poverty as a key pillar of Welsh Government's mandate. However as of July 2013 their specific role as a Champion was unclear. More recent work by the TPT has provided greater clarity and focus around these roles.

9.17 The term of the Child Poverty Expert Group (CPEG), initially appointed in April 2008, ended in May 2011. The group aimed to identify the priorities and challenges that needed to be addressed to tackle child

poverty in Wales. CPEG provided evidence-based recommendations for consideration by Welsh Government Ministers. CPEG also considered and commented on the progress of the Welsh Government in the attainment of its child poverty targets, and provided expert advice on the implementation of child poverty legislation, the Child Poverty Strategy for Wales and other relevant documents. During its term, the group developed specific policy recommendations on a number of poverty-related themes and was involved in the development of the Children & Families (Wales) Measure 2010 and peer reviewing the draft CPS and Delivery Plan for Wales, among other work.

9.18 The Tackling Poverty External Advisory Group (TPEAG) was established by the current Welsh Government and first met in July 2012. The TPEAG meets quarterly and reports to the Minister for Communities and Tackling Poverty and the Deputy Minister for Tackling Poverty. The remit of this group is broader than that of the CPEG as it reflects the wider poverty agenda as defined in the TPAP. The TPEAG provides expert, evidence-based advice to the Welsh Government on the implementation and further policy requirements necessary to deliver the TPAP in Wales. The TPEAG also considers and comments on the progress of the Welsh Government in the attainment of its tackling poverty targets as set out in Programme for Government and the TPAP.

9.19 In recent months, there has been a shift in priorities in some policy areas, such as education, skills and regeneration, in line with the importance placed on the TPAP and the outcomes it hopes to achieve being better integrated in these areas. Furthermore, a Tackling Poverty Implementation Board has been established (which is chaired by the Deputy Minister for Tackling Poverty). The Implementation Board monitors delivery of the commitments in the TPAP, and is the mechanism for holding different departments to account for the key targets and milestones contained within the TPAP.

### *Impact of the Measure on Public Bodies*

- 9.20 Prior to the Measure being introduced, all Public Bodies were delivering services that contributed in some way towards tackling child poverty. However, Public Bodies varied in the extent to which child poverty was considered a priority and the level of coordination of services contributing to tackling child poverty. Some already had a dedicated person or team in place, while others did not have specific aims or teams but simply contributed to reducing child poverty by delivering their statutory duties.
- 9.21 Interpreting what was required of them under the Measure was not an issue for most Public Bodies. They used the legislation itself to understand this, and some also drew on the guidance issued by the Welsh Government as well as the advice of Welsh Government officials. Many did comment on the level of ambiguity in the legislation about what they were required to do, but were divided on whether they saw this positively or negatively. Most felt that it left too much room for interpretation and was not clear enough about what action was required, and specifically what outcomes it was seeking to achieve. A small number, however, were positive about it enabling them to tailor their response to the needs and priorities of their local area.
- 9.22 Most Public Bodies stated that the introduction of the Measure did not cause them to introduce new services or programmes or to increase the amount of funding allocated to child poverty programmes (although these were not specific aims of the Measure). The Measure did, however, lead to the profile of child poverty as an issue being raised within Public Bodies, and this gave individuals and teams promoting the cause more leverage over other departments and external partner organisations to support child poverty initiatives. It has also led to a greater level of coordination among programmes with child poverty-related objectives, in part because of the mapping exercise Public Bodies carried out in developing their strategies, and through more coordinated monitoring systems. A small number of Public Bodies have made changes in services, such as targeting more deprived groups or modifying programme content. Finally, a small number are dedicating a

modest additional amount of resources to programmes aimed at tackling child poverty, and many are funding staff to spend more time on the issue.

9.23 Improving monitoring and evaluation systems has become a priority for many Public Bodies as a result of the requirement to review progress by March 2014 and every three years thereafter. Public Bodies vary substantially in the quality of their monitoring systems, with the spectrum ranging from those that only measure programme outputs, to those that are attempting to measure impact and value for money.

### **Key learning points**

9.24 Learning point 1: If the Welsh Government seeks to draw conclusions on the extent to which it is delivering on high level policy objectives – such as tackling child poverty, a more systematic approach to evaluation will be necessary. This should mean:

- a. Clearly articulating the vision and objectives of each programme and how they relate to wider Welsh Government policy objectives,
- b. Earlier planning of evaluations alongside the design of the initial policy / programme<sup>91</sup>,
- c. Use of methodologies and staging in evaluations which will allow for early / preliminary conclusions to be drawn and intermediary net outcomes to be measured as well as value for money assessments<sup>92</sup>,
- d. Overarching meta-evaluation frameworks to be applied in the process of aligning programmes / policies into common strategies / funds or action plans,
- e. Giving more consideration to investing in evaluation as an integral part of programme budgets.

9.25 Learning point 2: Evidence about ‘what works’ for programming seeking to contribute to tackling poverty in Wales and the management of this

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<sup>91</sup> Close working between politicians, policy officials and analysts within government, with support from external experts as appropriate, is crucial and the earlier this happens the greater the range of evaluation options that will be available. This will help to ensure that the best possible evaluation design can be employed in order to provide robust evidence on whether, and why, a programme is working or not.

<sup>92</sup> Value for Money assessments are critical elements for evaluations which were often found lacking from the current portfolio of Welsh Government evaluations.

knowledge could be improved through more rigorous and timely pilot stage evaluation. This learning could be used to greater effect if shared more proactively locally. Lessons from the use of learning sets as part of Families First could be used to improve / build national-to-local knowledge sharing processes for key policies.

9.26 Learning point 3: Evidence about what works should be gathered and used to scale activity up or down in key policy areas. Currently the evidence of what is producing outcomes is limited. The scale of activity is often disproportionately low compared to the scale of the problem. On the other hand, commissioners should be willing to reduce funding to programmes which due to changes in the environment no longer need higher levels of funding, and to discontinue funding to those that are assessed not to provide good value for money.

9.27 Learning point 4: As child poverty cannot be addressed by one programme alone, integrating programmes with complementary services, and with upstream and downstream provision to ensure a continuum of support for children and families, without duplicating existing provision, is essential. The Welsh Government is already taking steps to ensure better join-up of tackling poverty programmes, including Communities First, Flying Start and Families First, from the highest level (bringing all these programmes together into a single government department) and on the ground. However, more could be done to ensure better alignment with mainstream services such as health.

9.28 Learning point 5: The role of the TPT could be enhanced to improve the impact on policy design, implementation and evaluation. In particular it is recommended that the team focus in the short term on improvement of the evidence base being generated within Welsh Government by engaging in design, tendering and steering evaluation contracts. An improved evidence base would enhance future programming and resource allocation decisions and enable broader sharing of 'what works' in tackling poverty across Wales.

9.29 Learning point 6: Sharing experience and good practice of what works well at a local level may enhance the impact of the duty on Local Authorities and Public Bodies. The Welsh Government is already taking

steps to do this, such as through planned 'Tackling Poverty Regional Events' which will take place in March and April 2014, and will bring together Anti-Poverty Champions to discuss reducing the number of NEETs and low birth-weight babies.

9.30 Learning point 7: The importance of leadership from the highest levels of the Welsh Government has been highlighted throughout this evaluation. Tackling poverty being a priority of the First Minister and included as one of the three key aims in the Programme for Government has been immensely important for raising the profile of this issue and giving individuals working at various levels leverage to tackle child-poverty-related problems.

## **Annexes**

### **Annex A: Child Poverty Strategy for Wales – Baseline Indicators**

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## Summary and introduction

### Background

1. This report is part of the evaluation of the Welsh Child Poverty Strategy. Its purpose, as set out in the Terms of Reference, is to refresh the **baseline** profile of Child Poverty provided earlier in the project. The purpose of that report was to
  - Construct a comprehensive and detailed quantitative **baseline** profile of Child Poverty in 2005 in Wales and UK.
  - Accompany this with a **timeline** of the main relevant policy statements and actions at UK and Welsh level over the same period.
  - **Highlight** any serious gaps or deficiencies which hamper adequate monitoring and analysis at Welsh level.
2. It provides an overall picture of the direction of travel of child poverty in Wales, and grounds this in the economic and policy context and with data for comparator countries and regions.
3. The baseline consists of 23 indicators across income poverty, work and worklessness, education and qualifications, housing and services and health inequalities. For each, the baseline level of 2005 is compared with the most recent year's data<sup>93</sup>. All those indicators for which suitable data is available have been updated.
4. Where possible, comparisons are made with other parts of the UK. In some instances, we have been able to compare to dates prior to the introduction of the Strategy, to show some longer term context.
5. The indicators in the baseline were agreed with the Welsh Government following a process of discussion which drew on i) indicators/milestones used in previous reports monitoring child poverty in Wales; ii) the views of Welsh Government civil servants as to gaps in previous coverage; iii) an assessment by the project team of the scope for improvement and/or additions. When commenting on changes over time, we have carried out statistical tests to indicate whether changes are statistically significant.
6. In reviewing the results shown here, a check has been made against the Child Poverty Strategy Progress Report published by the Welsh

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<sup>93</sup> This includes relevant data available as at 14 February 2014.

Government at the end of 2013.<sup>94</sup> Of the six indicators shown there only one is directly comparable to one included here (children in workless households). The comparison is discussed in the relevant section below.

7. The timeline has three main components to it. Firstly, there are three key indicators – child poverty, workless households and unemployment. The second element is the economic context, showing the impacts of the recession. The final element is the policy context, both in the UK and in Wales. The timeline includes the dates of the introduction of these key policies, which were supplied to us by the Welsh Government.
8. We also include commentary highlighting issues around data quality and availability. This includes observations on data currently available and the data necessary to evaluate policies in the future.

### ***Changes since the first report***

9. The main change since the first draft is that the new child poverty figures show that child poverty has risen since 2005. Previously the conclusion was that the change was not statistically significant. Now it is.
10. This is driven in large part by a big rise in the proportion of children in working families who are in poverty. This has happened across the UK, but the rise in Wales, from 14% to 24%, is particularly steep.

### **The economic context**

11. The approach we have taken is to compare the most recent data available to 2005, the year in which the Child Poverty Strategy was introduced. In many cases, most notably the income poverty measures, we combine three years of data comparing the most recent three to the three leading up to the launch of the 2005 Strategy.
12. This choice of starting date is very important and colours many of the findings. In retrospect, 2005 was when the UK economy was at its strongest. Unemployment in Wales was never again lower than in 2005, when it was around 4.6%.

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<sup>94</sup> <http://wales.gov.uk/topics/childrenyoungpeople/poverty/newcpstrategy/?lang=en>

13. The picture for child poverty was similar. In the UK, the proportion of children living in a household with less than 60% of the contemporary median was 29% in 2005, a level below which has not since fallen. In Wales (as this report shows later) the level was 28%, the lowest point at any stage in the last 15 years.
14. The recession that began in 2008 and the lack of subsequent economic growth could have been expected to hamper progress in reducing child poverty. But we should note that some three years before, unemployment and child poverty had already begun to rise. Moreover, falling median income since 2008 has lowered the poverty threshold in the most recent year. This contributed to the UK-wide fall in child poverty in the most recent set of statistics.

### **The policy context**

15. Both UK and Welsh Government policies are important in setting out the context for this baseline report. UK-level policies to tackle child poverty can be traced back to 1999, when the Prime Minister made a pledge to eradicate child poverty by 2020. With that were associated a range of policies including the Child Tax Credit and the New Deal for Lone Parents.
16. Most key UK-level policies had been introduced by 2005 but changes thereafter are important. For instance, the level of Child Tax Credit, set annually by the Chancellor, could make an impact on the number of children in income poverty.
17. This report focuses on what actually happened, and seeks to draw out lessons where possible. Other research, notably from the Institute for Fiscal Studies (IFS), looked at what might have happened if certain policies were not in place. They found that for the UK as a whole, child poverty would have risen in the decade to 2010 by around one-quarter had benefits been linked merely to inflation rather than the rises announced by the Chancellor. Even in the years where child poverty was

not falling, policies towards child-related benefits kept poverty from rising<sup>95</sup>.

18. The Welsh Government identified key programmes that could impact on child poverty and a list of relevant policies were sent to us (these are listed in the Appendix). They are discussed at the relevant point in the report. Many (for instance, Steps to Employment, the Youth Engagement and Action Plan) have been introduced in the last year or two, so their effects will not be picked up in this baseline analysis. In addition, we have considered the policies listed in the internal Welsh Government document “The Impact of Welsh Assembly Government Programmes on Child Poverty: A synthesis of evidence from evaluations”.
19. Of the policies sufficiently established to impact the analysis, the two with the greatest potential to tackle child poverty were Flying Start, the Early Years Programme (2006) and Genesis Wales, aimed at improving labour market participation (2004).

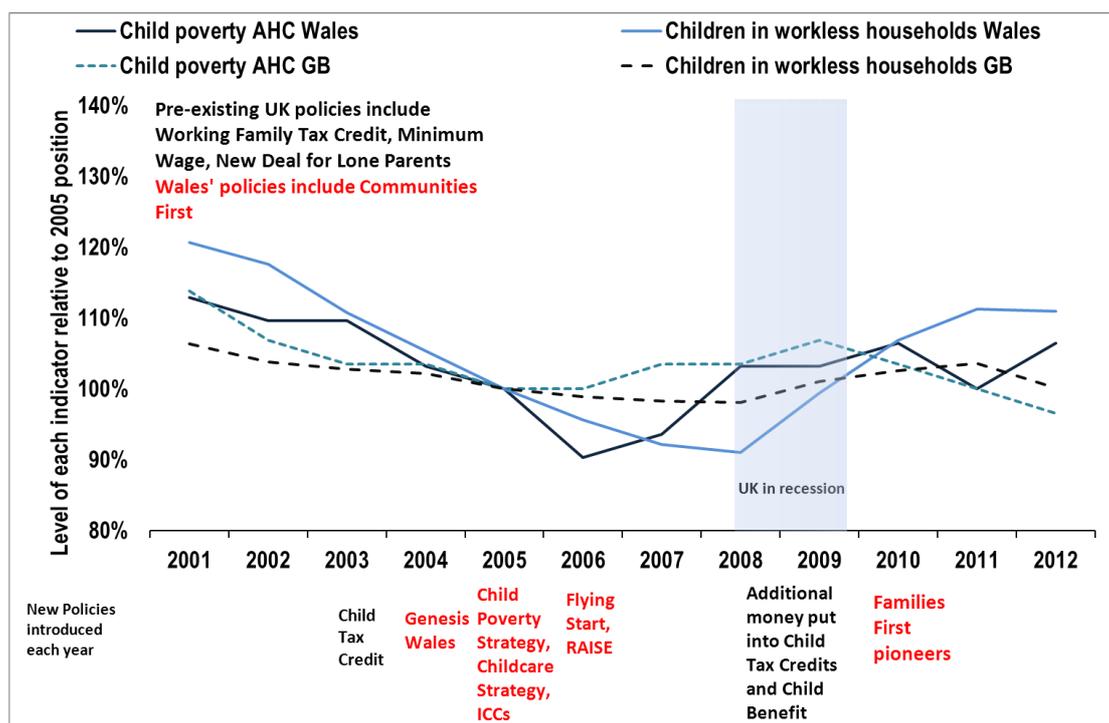
### **Timelines**

20. The first timeline below shows two of the indicators from the report – the child poverty rate and the proportion of children in workless households (both shown as moving three year averages). These indicators are chosen due to their importance in both the 2005 and 2011 strategies, and the availability of data to make longer term comparisons. It shows the changes relative to their level in 2005, where they are set to 100%. Lines are shown for Wales and Great Britain (GB).

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<sup>95</sup> Cited in Ending Child Poverty by 2020 Progress Made and Lessons Learned, CPAG 2012.

## Timeline 1 - Trends in child poverty, children in workless households and working age unemployment, with key policy developments highlighted

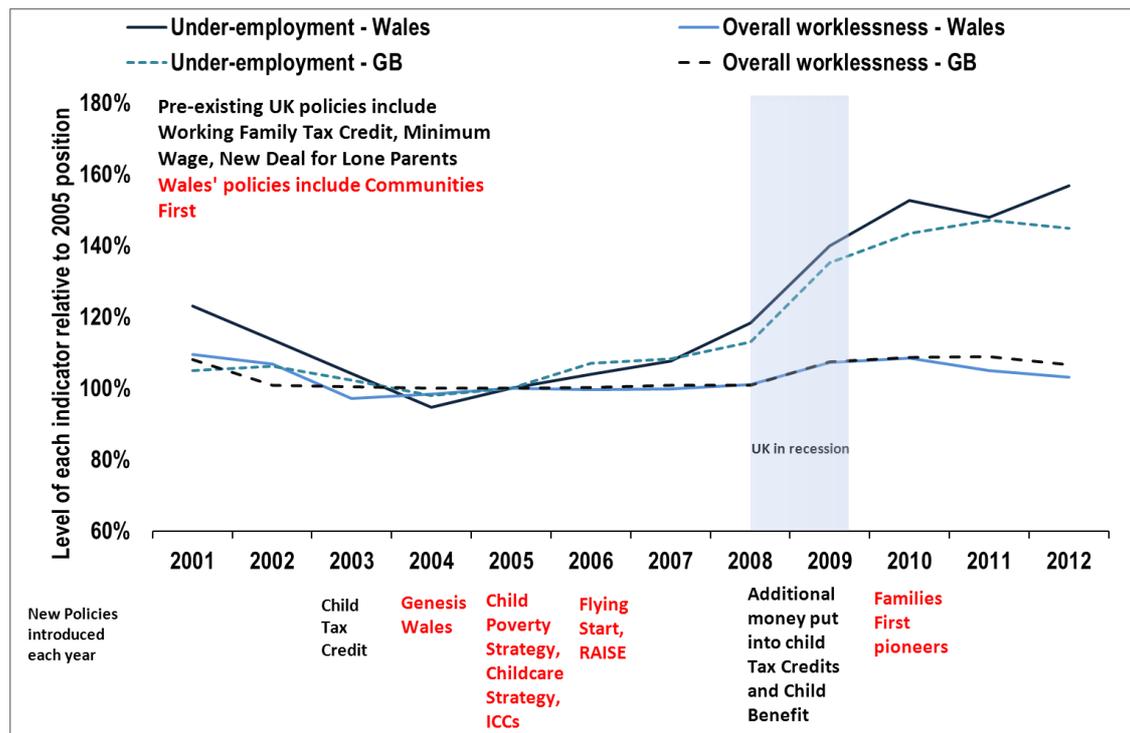


Source: DWP Households Below Average Income and ONS Workless Households Statistics

21. The introductions of key policies are indicated on the chart but this is simply for context, to understand what was happening when. It does not indicate, nor is intended to, the effectiveness or otherwise of the policy.
22. The series for child poverty reached its lowest point in Wales in 2006. But the series for children in workless households kept falling until the recession began in 2008, whereupon it rose sharply and kept rising until 2012. Data for the first half of 2013 suggests that this trend is now (sharply) downwards although we would need at least another year's data to confirm this.
23. Between 2008/09 and 2011/12, child poverty did not rise in GB and rose only very slightly in Wales after a period of considerable fluctuation in the child poverty rate. The additional money put in to tax credits, promised in 2007 and delivered in 2008, may be responsible for this to a certain extent. Just as important, though, has been the fall in median incomes, which has resulted in the poverty line itself being lower.

24. The next timeline shows two slightly different indicators – ‘potential labour supply’ and overall worklessness, for Wales and GB. The potential labour supply is made up of unemployment, those who are economically inactive but want paid work, and those working only part-time who want a full-time job. The picture in this timeline is very similar to the last.

**Timeline 2 - Trends in potential labour supply and overall worklessness, with key policy developments highlighted**



Source: ONS Labour Market Statistics

25. Again, the series are compared with 2005. The large proportionate fall in the potential labour supply up to 2005 is worth noting, particularly in the light of the large rise thereafter. This measure then rises sharply in both Wales and GB with the recession, whereas overall worklessness rises more slowly. Since the change in worklessness is captured in the potential labour market measure, the greater increase in the latter reflects a rise in its ‘in-work’ component, namely those doing part-time jobs who want full-time ones.

26. The lines for Wales and GB track each other closely. The proportionate changes since 2005 have been similar, even though the overall levels are different.

# 1 Overall findings

1.1 The table below summarises the 23 indicators in the report. It shows the level and the direction of change for Wales and compares it with the North of England. The North of England is chosen as a close “statistical neighbour”, as at the start of the period it shared a similar child poverty rate with Wales. Each entry is colour coded to show the change since the baseline year of 2005. Green shows progress, orange no change and red deterioration.

**Table 1 – summary of indicators in Wales and the North of England, latest data compared with 2005 baseline**

Topic	Indicator	Most recent data <sup>96</sup>	Wales: level in latest year	Wales: change since baseline year	N. England: level in latest year	N. England: change since baseline year
Income poverty	Children in relative poverty (AHC)	3 years to 2011/12	33%	Worse	30%	No change
	Children in in-work poverty (AHC)	3 years to 2011/12	24%	Worse	21%	Worse
Work and worklessness	Worklessness	2012	33%	Worse	32%	Worse
	Potential labour supply	2012	17%	Worse	17%	Worse
	Children in workless households	3 years to 2012	19%	Worse	18%	Worse
	Lone parent employment rates	3 years to 2012	54%	No change	57%	Better
	Gross hourly pay – tenth percentile value	2012	£6.30	No change	Not comparable	Not comparable
	Gross hourly pay – median value	2012	£10.10	Worse	Not comparable	Not comparable
Skills and qualifications	Attainment gap at KS2	2013	18 percentage points	Better	Not comparable	Not comparable
	Attainment gap at KS4	2013	33 percentage points	Worse	Not comparable	Not comparable
	Young adults without Level 3 qualifications	3 years to 2012	45%	No change	44%	Better
	Young adult NEETs	2012	19%	Worse	Not comparable	Not comparable

<sup>96</sup> This report includes all relevant data available as at 14 February 2014.

Topic	Indicator	Most recent data <sup>96</sup>	Wales: level in latest year	Wales: change since baseline year	N. England: level in latest year	N. England: change since baseline year
	Working age adults without Level 3 qualifications	2012	48%	Better	49%	Better
Housing and services	Homeless families in temporary accommodation	2012/13	2,500	Better	Not comparable	Not comparable
	Families with children living in overcrowded conditions	2010	23,000	No change	Not comparable	Not comparable
	Families (with children) without access to bank accounts	3 years to 2011/12	1%	Better	2%	Better
Health	Ratio of infant mortality between the most deprived and middle fifths	2008	1.2	No change	Not comparable	Not comparable
	Ratio of low birth weight by deprivation quintiles	2007	1.2	No change	Not comparable	Not comparable
	Ratio of five year olds with dental caries by deprivation quintiles	2007-08	1.5	Better	Not comparable	Not comparable
	Ratio of young people with dental caries by deprivation quintiles	2008-09	1.4	No change	Not comparable	Not comparable
	Under-16 conceptions by deprivation quintiles	4 years to 2008	1.7	No change	Not comparable	Not comparable
	Pedestrian injuries 5-14 year olds (hospital inpatient) by deprivation quintiles	4 years to 2008	1.7	No change	Not comparable	Not comparable
	Children who are killed or seriously injured in road accidents	2012	92	Better	Not comparable	Not comparable

1.2 Our inferences on whether or not the estimate has changed compared with data from the baseline year reflect the overall change in the measure rather than fluctuations during the intermediate years.

1.3 Wherever necessary, we use three or more year averages to get a bigger sample and minimise the fluctuations. In order to determine the status of the indicator, we use confidence interval tests at 95% confidence level to ascertain that we are not picking up “random” variability. A metric is said to have improved/worsened only when the fall/rise is statistically significant at this level, otherwise it gets a ‘no change’ status. It is important to note that a confidence interval test is not definitive as confidence intervals are approximations and do not account for sampling design differences. As the purpose of this baseline

is to get a broad view of child poverty, the range of topics considered is more important than the statistical significance of a single indicator.

- 1.4 On 8 of the 23 measures there has been a deterioration, and where relevant, that change is statistically significant. Two of them relate to low income – child poverty and child poverty in working families, with one of those clearly a sub set of the other.
- 1.5 Four of these are in the Work and Worklessness section and one other, the NEETs measure, is clearly affected by the rises in overall unemployment. So, much of the deterioration observed is due to the worsening overall economic conditions. There are six indicators, across the range of topics, which show improvement. Nine indicators show no change.

### **Comparing to the rest of the UK**

- 1.6 Regional comparisons across GB show that, for most indicators, Wales continues to resemble the North of England, both in terms of the extent of the problem and also the direction of change since 2005. Across indicators measuring low income, worklessness and skills, the rates in Wales are comparable to the North of England and have moved in the same direction.
- 1.7 From this perspective, Wales followed the same course as the North of England over the last decade with little evidence that specific Welsh policies were more or less effective than those in the North of England.
- 1.8 London stands out in these indicators as having seen the largest fall in child poverty and the lowest rise in unemployment following the start of the recession. It may well be that London is a place apart, wholly incomparable to Wales. But it did have a Child Poverty Commission, and in the form of the Assembly does have an elected central body which other English regions do not, so there may be lessons worth learning from London.
- 1.9 The indicators also allow us to compare Wales and Scotland, though it is important to note that there are significant differences between Wales and Scotland, both having a degree of devolution of powers.

- 1.10 Looking at long term trends in child poverty rates, Scotland had a lower rate than Wales to start with in the mid/late-1990s. Both the countries saw persistent reductions in child poverty from the mid-1990s to the early-2000s. The gap between the two countries was the narrowest in early 2000s. However after the mid-2000s, as the fall in the poverty rate in Wales stalled and even went into reverse, child poverty in Scotland continued to fall. On the latest figures, the gap now exceeds a record ten percentage points.
- 1.11 Unemployment followed a similar pattern; unemployment levels in Scotland were similar to Wales in early-1990s. Both the countries saw a continuous reduction in unemployment until mid-2000s. In fact, due to substantial improvements in Wales, its unemployment rate was lower than Scotland's in the mid-2000s. However unemployment in Wales started rising since 2005, well before the recession, while it continued falling in Scotland until 2008. In this, it was Scotland that was the exception within Britain.
- 1.12 Both countries saw a rise in unemployment after the recession. The most recent set of figures show unemployment in Wales at only a slightly higher rate than Scotland. Unemployment is now falling.

### **Income poverty**

- 1.13 On the principal measure – the proportion of children living in households with income below 60% of contemporary median after housing costs – child poverty has risen by five percentage points to 33% between the three years to 2005/06 and the three years to 2011/12. This is a statistically significant change. However, the proportion does vary substantially from year to year.
- 1.14 We must point out though, that the reason the rate has risen is because the level in the base year was low, relative to the rest of the sequence. The rate of child poverty in the three years to 2005/06 was 28%. A year earlier it was 31% and two years later it was 32%. So while we assess this indicator as “worse” in this report, had the baseline year been before or after, the assessment would have been “no change”.

- 1.15 Using the before housing costs measure, child poverty actually fell slightly by one percentage point over the period. These different trends before and after housing costs may indicate something about rising housing costs being met by rising housing benefit among low-income households, but we have not investigated this further.
- 1.16 The proportion of children in low-income households who live with a working parent has also risen. Matching the pattern of the UK as a whole, this rose from 14% at the time the Strategy was introduced, to 24% in the three years to 2011/12.

### **Work and worklessness**

- 1.17 Between 2005 and 2012 there was little change in the overall level of economic activity (those in paid work plus those unemployed). In both 2005 and 2012, just under three-quarters of working age adults in Wales were economically active.
- 1.18 But within that group, the proportion who were unemployed had grown. By 2012, 6.3% of working age adults in Wales were unemployed, compared with 3.8% in 2005.
- 1.19 There were also significant changes in family work rates. The number of children in workless households rose from 16% to 19%. This was a larger rise than any of the other UK areas we analysed.
- 1.20 Secondly, there is the rise in the number of people lacking the amount of work they want – the potential labour supply. We have already seen that the level of unemployment rose, but additionally, the proportion of working age adults in part-time work as they could not find full-time work doubled, from 2% to 4% (around 80,000 people). Along with those who are either unemployed or economically inactive but nevertheless wanting work, 17% of the working-age population lack the amount of work they want on this particular measure.
- 1.21 This combination, of stagnating wages and fewer hours worked, as well as rising unemployment turning two earner families into single earner families, contributed to the rise in in-work poverty.

## **Education and qualifications**

- 1.22 We look at education indicators for different age groups – 11 year olds, 16 year olds, young adults and the entire working-age population. There appears to have been a significant improvement in attainment among 11 year olds.
- 1.23 Among 16 year olds, there was a fall in the proportion of pupils receiving free school meals who did not attain the expected standard at GCSE (5 GCSEs at A\*-C including maths and English or Welsh) between 2005 and 2013. However, among those not receiving free school meals, the proportion failing to attain this standard fell more quickly initially, meaning the gap in 2013 is wider than it was in 2005. However, the gap has closed slightly in the last two years.
- 1.24 When we look slightly further up the age range, we also see a sharp rise in the proportion of 16-24 year olds not in education, employment or training (NEETs), particularly so among those aged 19 and above. Wales is by no means unique in seeing these numbers rise.

## **Health**

- 1.25 The health indicators in this report are often repeats of those in the last Milestones report as no new data showing the differences between deprived and non-deprived areas has been made available. For the period we are able to examine, all indicators improved for children in the most deprived areas as well as those in areas with average deprivation. We are unable to say if the gaps have closed to a statistically significant degree, but any closing over that period was small in any case.
- 1.26 It is notable that the gap in risks changes with the age of the child. So while infant mortality is higher in the most deprived areas, the difference in risk compared with average areas is around 25%. The additional risk of low birth weight in deprived areas compared with average areas is also around 25%. When we look at teenage dental health, the difference in risk grows to around 40%. For pedestrian injuries and underage conceptions, the increased risk is around 70%.
- 1.27 This is a slightly “rough and ready” comparison – the measures are, after all, completely different. But at the very least it suggests that children

from lower income backgrounds are persistently faced with higher risks of harm than other children.

### **Comments on data**

1.28 In compiling this report, we have been able to take a comprehensive overview of the data available. In our view, there is sufficient data available to assess the majority of the areas the strategy touches upon. There are however some issues.

### **The HBAI sample**

1.29 The findings presented in this document are often expressed in terms of statistical significance. Sometimes the sample sizes of the sources we are using are relatively small, meaning that quite large changes have to be observed before we can say they are significant.

1.30 The most obvious example of this is the income poverty indicators, where a change of around three percentage points is needed over three years' worth of data before it becomes significant. Given that around 30% of children are estimated to be in poverty, this means that around one in 10 children in poverty would have to be lifted out before we could be sure we had observed a change.

1.31 Similarly, the Department for Work and Pensions prefers that the results, when cited, are always rounded to the nearest 100,000. This would mean that the number of children in poverty in Wales has been 200,000 for the last decade – not a particularly useful finding.

1.32 Moreover, the year-on-year trends in Wales are very changeable. In the years from 2002/03, the proportion of children living in poverty has been as low as 27% and as high as 35%. In Scotland, the lowest figure was 24% and the highest was 27%, a range less than half that of Wales.

1.33 A larger sample would make a difference. While not small compared with the regions of England, the sample for Wales (one household per 1,400 in Wales) is smaller in relative terms than the Scottish (one household per 700) and Northern Ireland (one household per 400). However, this

would come at a cost. To double the precision of the survey, the sample would have to be quadrupled.

- 1.34 It may not only be the size of the sample that is an issue but also its structure. The survey samples clusters of households across Wales. By increasing the number of clusters but decreasing the number of households in each cluster, the sample would become more representative and potentially less prone to fluctuation. Unfortunately, we cannot ascertain through the data itself how many clusters are used in any one year.

#### Educational attainment among 11 year olds

- 1.35 We have included an indicator on educational attainment by 11 year olds. The indicator is based on teacher assessment, rather than testing which, in the case of the educational attainment statistics for England is also considered.

#### Communication of data and availability across government

- 1.36 While compiling this report, we made requests to Public Health Wales for data on health inequalities. The data itself is very rich, and could allow for some interesting analysis. Rather than commissioning new datasets or surveys, there is the potential for the Welsh Government to make more of the data it has in this area. New data will be available later in 2014.

#### Data availability for the 2011 Strategy

- 1.37 The Child Poverty Strategy of 2011 puts an emphasis on helping people into paid work, reducing inequalities and making poverty less damaging for children. The first of these can be measured using existing statistics quite well – the Labour Force Survey is set up to do this very thing, although tracking individual progress is difficult.
- 1.38 Data on health and educational inequalities, the second focus of the strategy, has been included in this report, so is certainly available. The

issue there is around accurate data for 11 year olds and school leavers, as well as GCSE students.

1.39 The third presents a real challenge. Making poverty less damaging requires, among other things, a focus on public services. Currently there is no data at a Wales level that can accurately capture this, and any eventual evaluation of the 2011 Strategy will depend on new data sources being set up.

## 2 Income poverty

### Indicators

- Children living in low-income households.
- In-work poverty.
- 

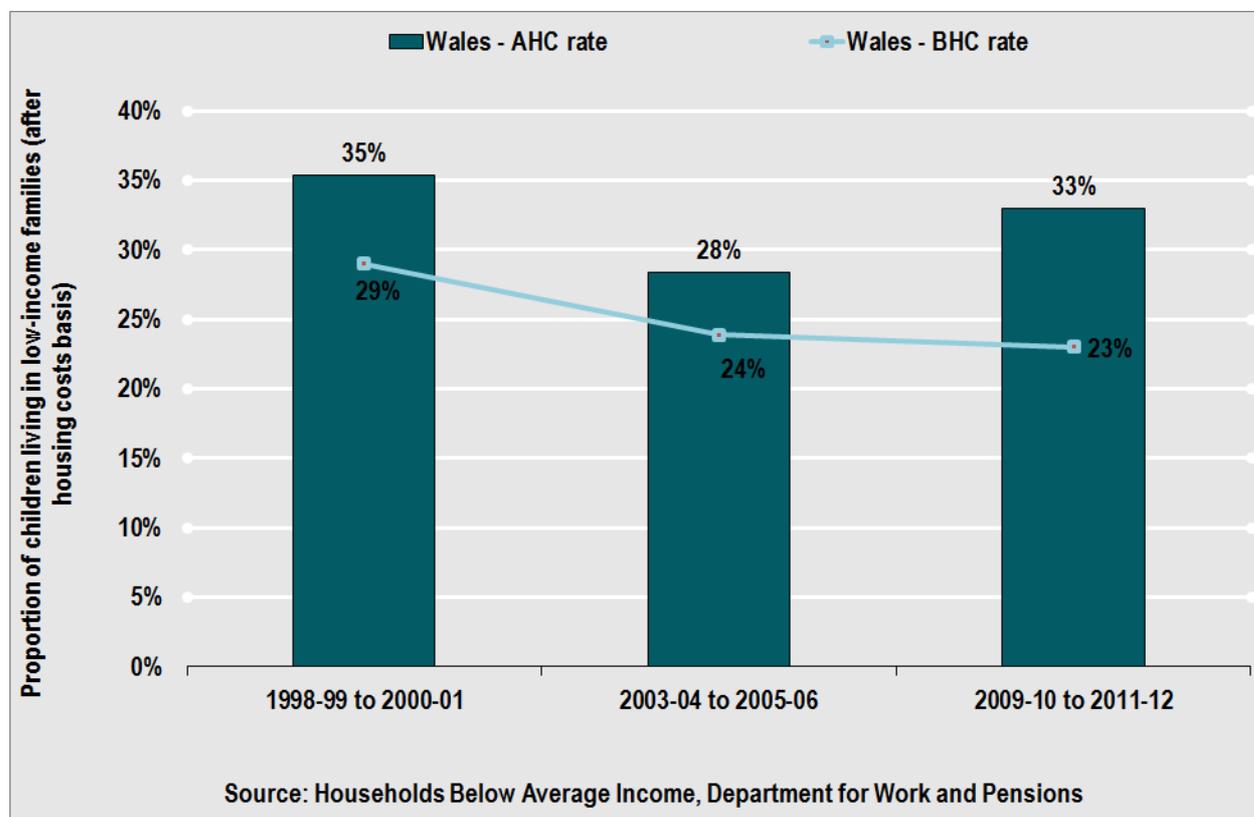
### Children living in low-income households

#### Key points

- In the three years to 2011/12, 33% or 200,000 children lived in low-income families in Wales on the after housing costs measure.
- Though the rise in child poverty since 2005-06 is just large enough to be statistically significant, there have been particularly large year-on-year fluctuations since 2005.
- Over the period, most of the UK saw no statistically significant change in child poverty.
- 

### Levels and trend in Wales

#### Proportion of children living in low - income households in Wales over time



- 2.1 This indicator shows two measures of relative poverty – After Housing Costs (AHC) and Before Housing Costs (BHC) measures. We use the average of three years to 2005-06 as our baseline estimate, which also happens to be the low point in the entire series for both AHC and BHC measures.
- 2.2 On the BHC measure, the child poverty rate in Wales was 23% in the three years to 2011-12, broadly unchanged from the 24% reported in the baseline period.
- 2.3 On the AHC measure, 33% or about 200,000 children lived in low-income families in the three years to 2011-12. This is about five percentage points higher than the rate in the three years to 2005-06. The rise is now above the threshold at which it would be statistically significant, though the year on year fluctuations are quite large. The assessment of whether or not the change is significant is sensitive to the year chosen as the baseline (2005/06). Child poverty was lower in that year than in both the preceding and succeeding years.
- 2.4 The statistics used here are sourced from the DWP publication, which recommends using numbers rounded to the nearest 100,000. As a result, the estimate of the number of children in poverty in Wales is always 200,000, making it difficult to infer any changes in its level.
- 2.5 It is not possible to comment on year-on-year changes in child poverty in Wales as the figures vary greatly. For example, the AHC child poverty rate drops from 36% in 2007-08 to 27% in 2008-09, and then rises again to 35% in 2009-10. Looking at rolling three year averages over the last 10 years shows that the AHC child poverty rate fell quickly from the early-2000s up to 2005/06, after which it started rising.

## ***Wales compared with other regions***

### **Child poverty rate (AHC) by region over time**

	2003-04 to 2005-06	2009-10 to 2011-12	Change
The North	31%	30%	No change
The Midlands	30%	29%	No change
South and the East	24%	23%	No change
London	41%	36%	Better
Wales	28%	33%	Worse
Scotland	25%	22%	No change

**Source: as above**

2.6 London has the highest child poverty rate in GB. Wales' child poverty rate is lower than that of London, but higher than Scotland and other regions in England.

### ***Relevant policies***

- The Child Poverty Strategy, 2005.
- The Childcare Strategy for Wales, 2005, followed by a new strategy in 2011.
- Genesis Wales, 2004.
- Flying Start, 2006.
- Integrated Children's Centres, 2005.
- Families First, 2012.
- 

### ***Definitions***

2.7 Poverty is measured by official statistics on low household income. The measure here uses the threshold of 60% of median UK household income in the same year, and after adjustment has been made for household size and composition. The income is net of income and council tax and after housing costs (AHC) – mainly rent or mortgage interest – has been paid.

2.8 Official statistics are published on a before housing costs (BHC) basis. The AHC measure is preferred as it is a more accurate representation of a family's disposable income. Also, the BHC measure can be misleading

because on this measure a family could be lifted out of poverty if their housing benefit rises, as this increases their BHC income. However in practice, housing benefit money goes to the landlord to pay off the rent and does not make the family materially better off.

### ***In-work poverty***

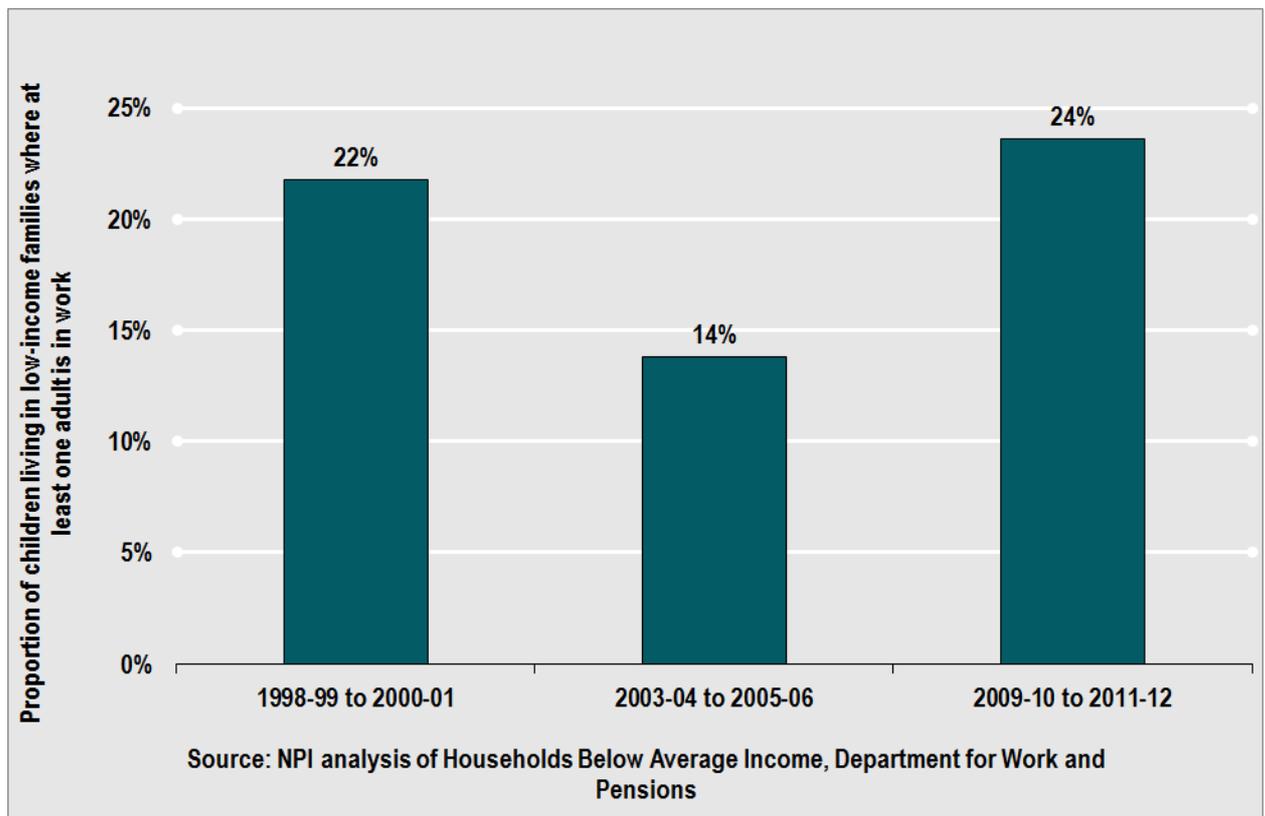
#### ***Key points***

- In the three years to 2011-12, 24% of children in Wales living in families where at least one adult was in paid work were in poverty.
- There was a clear rise in in-work poverty compared with the base year in Wales and everywhere else in the UK.

- 

#### ***Levels and trend in Wales***

**Proportion of children living in low - income households where at least one adult is in paid work over time**



2.9 In the three years to 2011-12, just under a quarter of children in Wales living in households where at least one adult was in paid work were in

poverty, amounting to some 118,000 children. Children living in such low-income working families accounted for around half of all children in poverty. Compared with the baseline period, in-work poverty rose by about ten percentage points by 2011-12, and this rise was statistically significant.

2.10 Further analysis shows that children in self-employed families and part-working families (where all adults are working part-time or one partner is not working) made up the majority (about 80%) of children living in in-work poverty.

2.11 Such families also have a much higher child poverty rate (40%), compared with 9% for full working families (where at least one adult is in full-time work and the partner is working at least part time).

2.12 As with child poverty rates, the in-work poverty rates also show variations year-on-year. The data suggests a trend similar to overall child poverty – in-work poverty fell from the early-2000s to mid-2000s, before beginning to rise again.

2.13 The rise in in-work poverty is corroborated even when a different measure is used. The Welsh Government's child poverty indicators progress report used Tax Credits data from HMRC to monitor in-work poverty rates. According to the report, the percentage of children in in-work poverty clearly increased between 2006-07 and 2008-09.

### ***Wales compared with other regions***

**Proportion of children in households where at least one adult is in paid work who are in poverty by region over time**

	2003-04 to 2005-06	2009-10 to 2011-12	Change over time
The North	15%	21%	Worse
The Midlands	14%	20%	Worse
The South and the East	10%	17%	Worse
London	16%	27%	Worse
Wales	14%	24%	Worse
Scotland	11%	13%	Worse

**Source: as above**

2.14 The in-work poverty rate in Wales is similar to the UK average. In-work poverty rose across all regions and countries. The overall level of in-work poverty has risen in the UK since 2005-06 and is at its highest ever.

***Relevant policies***

- The Childcare Strategy for Wales, 2005, followed by a new strategy in 2011.
- Genesis Wales, 2004.
- Integrated Children's Centres, 2005.
- Families First, 2012.
- 

***Definitions***

2.15 Poverty is measured here on an after housing costs (AHC) basis. A family is said to be in-work if at least one adult is in paid employment or is self-employed, either part-time or full-time.

### 3 Work and worklessness

#### Indicators

- Overall levels of worklessness.
- Potential labour supply
- Children in workless households.
- Lone parent in paid work.
- Median and tenth percentile hourly pay.
- 

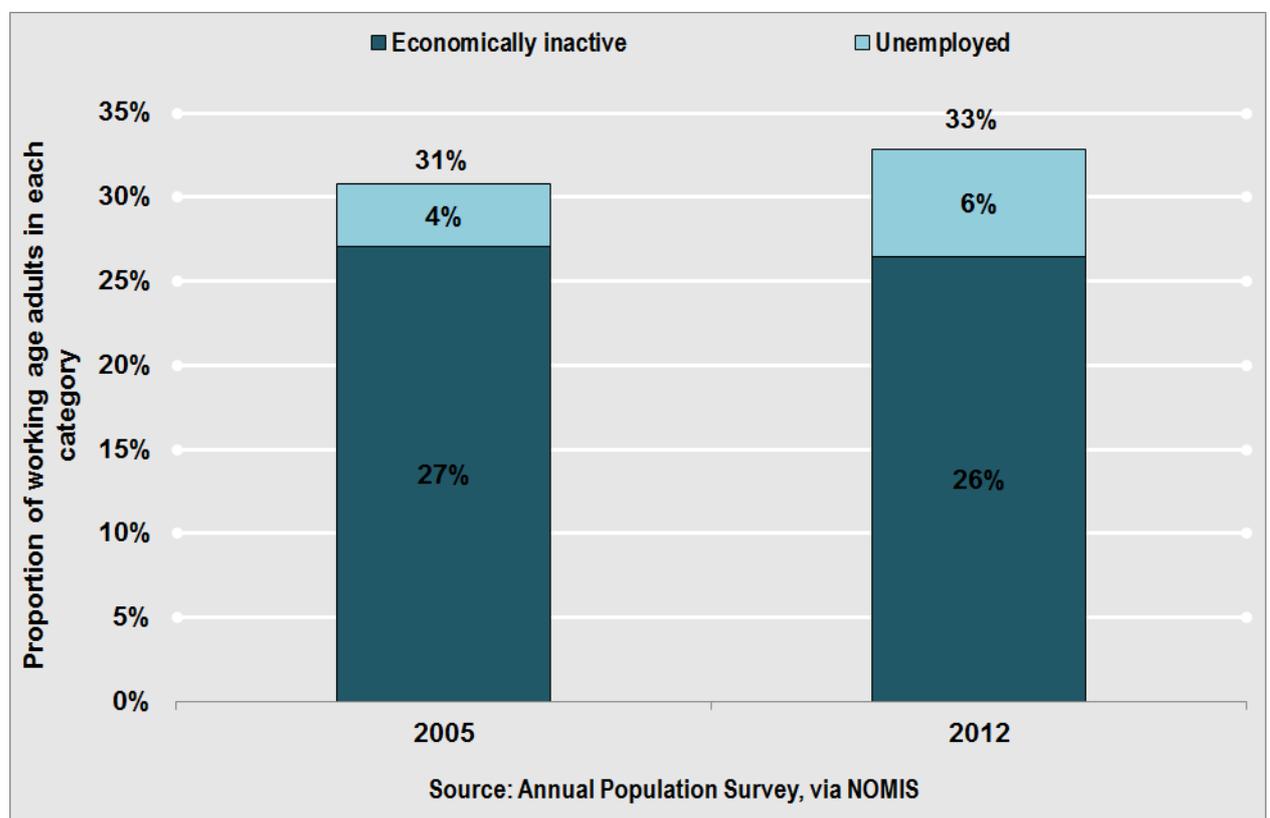
#### Overall levels of worklessness

##### Key points

- Around a third of working age adults in Wales were workless by the end of 2012.
- This proportion had increased since the baseline year, as it has everywhere in the UK outside London.
- 

#### Levels and trend in Wales

##### Proportion of workless working age adults over time



- 3.1 This labour market indicator measures overall worklessness over time. It breaks down the proportion of the working age population not in paid work into those who are unemployed and those who are economically inactive.
- 3.2 Around a third of working age adults in Wales were workless by the end of 2012 - 6% were unemployed and 26% were inactive. This amounted to about 620,000 adults in total.
- 3.3 Compared with 2005, the overall level of worklessness had increased by about two percentage points by 2012. The rise was statistically significant.
- 3.4 Within the workless population, the proportion of unemployed people had increased by almost two-thirds, while the proportion of those inactive remained broadly unchanged.
- 3.5 Though not shown in the graph, despite worklessness being higher, employment in 2012 (1.3 million) was at the same level as in the baseline year.
- 3.6 Further analysis shows that the worklessness rate in Wales was flat at about 31% between 2004 to 2008, rising thereafter. Though the Annual Population Survey does not allow us to analyse earlier years, labour market statistics from the Labour Force Survey indicate that Wales saw a steady reduction in worklessness from late-1990s until the mid-2000s.

### ***Wales compared with other regions***

#### **Proportion of workless working age adults by region over time**

	<b>2005</b>	<b>2012</b>	<b>Change over time</b>
The North	29%	32%	Worse
The Midlands	27%	30%	Worse
The South and the East	23%	26%	Worse
London	32%	31%	No change
Wales	31%	33%	Worse
Scotland	27%	29%	Worse

**Source: as above**

- 3.7 At 33%, Wales had the highest worklessness rate in Great Britain in 2012, or in other words, it had the lowest employment rate. Though

Wales' unemployment proportion was similar to national average, its level of economic inactivity was the highest among all regions.

3.8 Over the period from 2005, worklessness had increased across all regions, except London.

### ***Relevant policies***

- Want2Work, 2004.
- European Social Fund projects.
- Economic Renewal: A new direction, 2010.
- Genesis Wales, 2004.
- Integrated Children's Centres, 2005.
- School Gates Employment Support Initiative in Blaenau Gwent and Merthyr Tydfil, 2009-11.
- Steps to Employment, 2011.

### ***Definitions***

3.9 'Unemployment' is the International Labour Organisation definition, which is used for the official government unemployment numbers. It comprises all those with no paid work in the survey week who were available to start work in the next fortnight, and who either looked for work in the last month or were waiting to start a job already obtained.

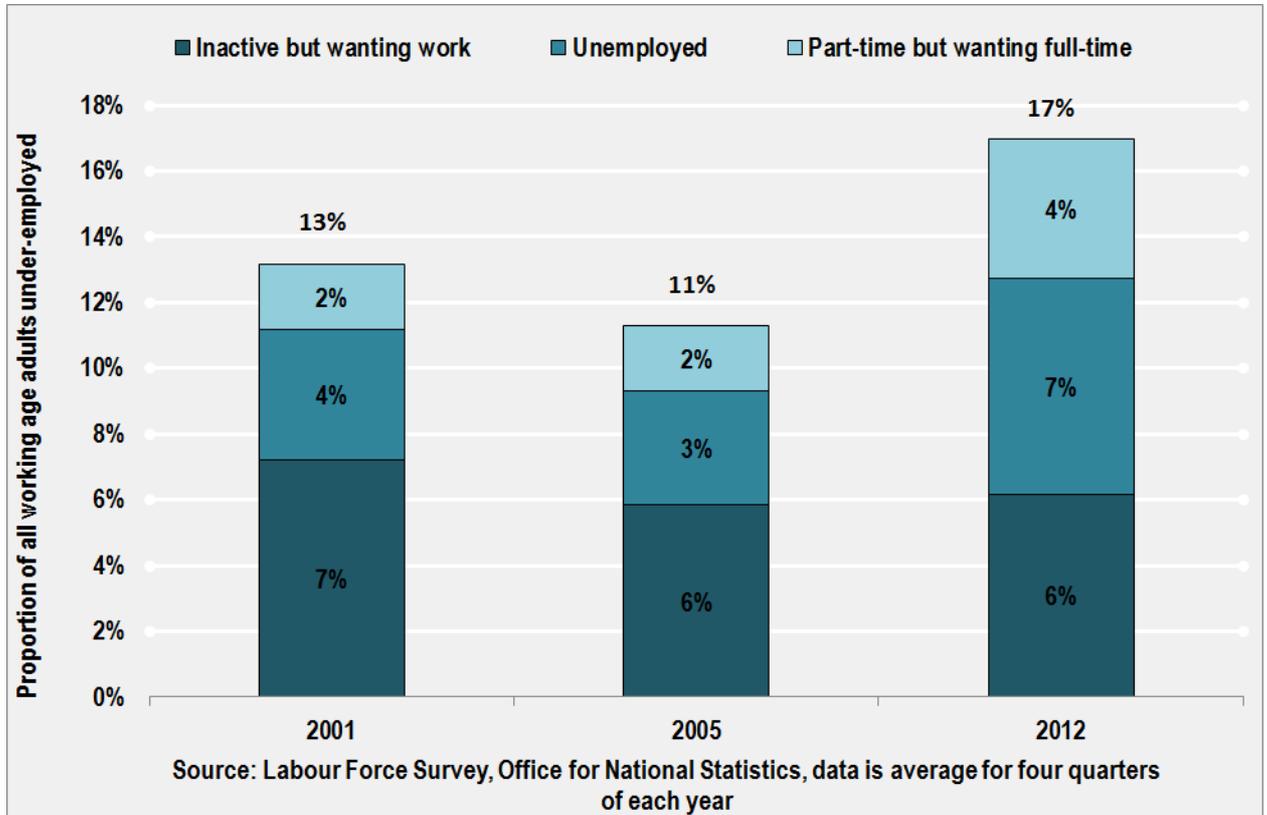
### ***Potential labour supply***

#### ***Key points***

- The number of people either unemployed, economically inactive wanting work or working part time but wanting a full-time job in Wales rose from 11% to 17% between 2005 and 2012.
- This rise was driven by rises in unemployment and the number of people working part-time wanting full-time work. The proportion of people economically inactive but wanting work did not change.
- This composite measure of potential labour market supply rose across the UK over this period.
-

## Levels and trend in Wales

The potential labour supply – the proportion of working age adults who lack the quantity of work they want



3.10 In 2012, there were around 125,000 (or 7%) unemployed adults, as well as around 115,000 (6%) adults who were economically inactive but wanted paid work and about 80,000 adults (4%) who were working part-time because they could not find full-time jobs. This adds up to some 17% of the working age population.

3.11 This total was 6 percentage points or 115,000 higher in 2012 than in the baseline year (2005), which is the low point in the series. The increase was mainly driven by the rises in numbers unemployed and numbers working part-time wanting full-time jobs, both of which almost doubled during the period.

3.12 Compared with a decade ago, the total number of people who were either unemployed, inactive but wanting work or in part time work wanting a full time job in 2012 was up by 4 percentage points. While there were rises in both the proportion of people unemployed and those working part time but wanting a full time job, the proportion of people

who were economically inactive but wanted to work remained broadly the same.

3.13 In the years between 2005 and 2012, this total was rising year-on-year, with a slower rise at the beginning of the period, a large rise in 2008/09 and slower rises thereafter.

### ***Wales compared with other regions***

#### **Potential labour supply by region over time**

	<b>2005</b>	<b>2012</b>	<b>Change over time</b>
The North	11%	17%	Worse
Midlands	10%	15%	Worse
South and the East	9%	14%	Worse
London	14%	16%	Worse
Wales	11%	17%	Worse
Scotland	12%	15%	Worse

**Source: as above**

3.14 On this measure, Wales in 2012 was similar to the national average. During the period between 2005 and 2012, this proportion had increased across all regions.

### ***Relevant policies***

General policies:

- Want2Work, 2004.
- European Social Fund projects, 2007-14.
- Economic Renewal: A new direction, 2010.

Policies aimed at families with children:

- School Gates Employment Support Initiative in Blaenau Gwent and Merthyr Tydfil, 2009-11.
- Genesis Wales, 2004.
- Integrated Children's Centres, 2005.
- Steps to Employment, 2011.

Policies aimed at young adults:

- Youth Engagement and Employment Action Plan, 2011-15.

- The Pathways to Apprenticeship, 2010-11.
- Traineeship Programme, 2011.
- The Young Recruits Programme, 2009.
- The Youth Entrepreneurship Strategy (YES), 2010-15.

### **Definitions**

- 3.15 This indicator uses a labour market measure of potential labour demand. This includes i) those who are aged between 16 and 64 and ILO unemployed (wanting, actively seeking and immediately available for work); ii) those aged between 16 and 64 and economically inactive but wanting work (those wanting work but either not actively seeking it or not available immediately); and iii) those working part-time but wanting a full-time job.
- 3.16 This measure of ‘under-employment’, based on the United States’ ‘U6’ measure, has been in use in the UK since at least 2010. Including those who lack but want work (whether unemployed or not) it is broader than the official measure used by the International Labour Organisation (ILO). The measure used here has the advantage of being able to show the effects of the weak demand for labour in the recession and its aftermath in a single indicator.<sup>97</sup>

### **Children in workless households**

#### **Key points**

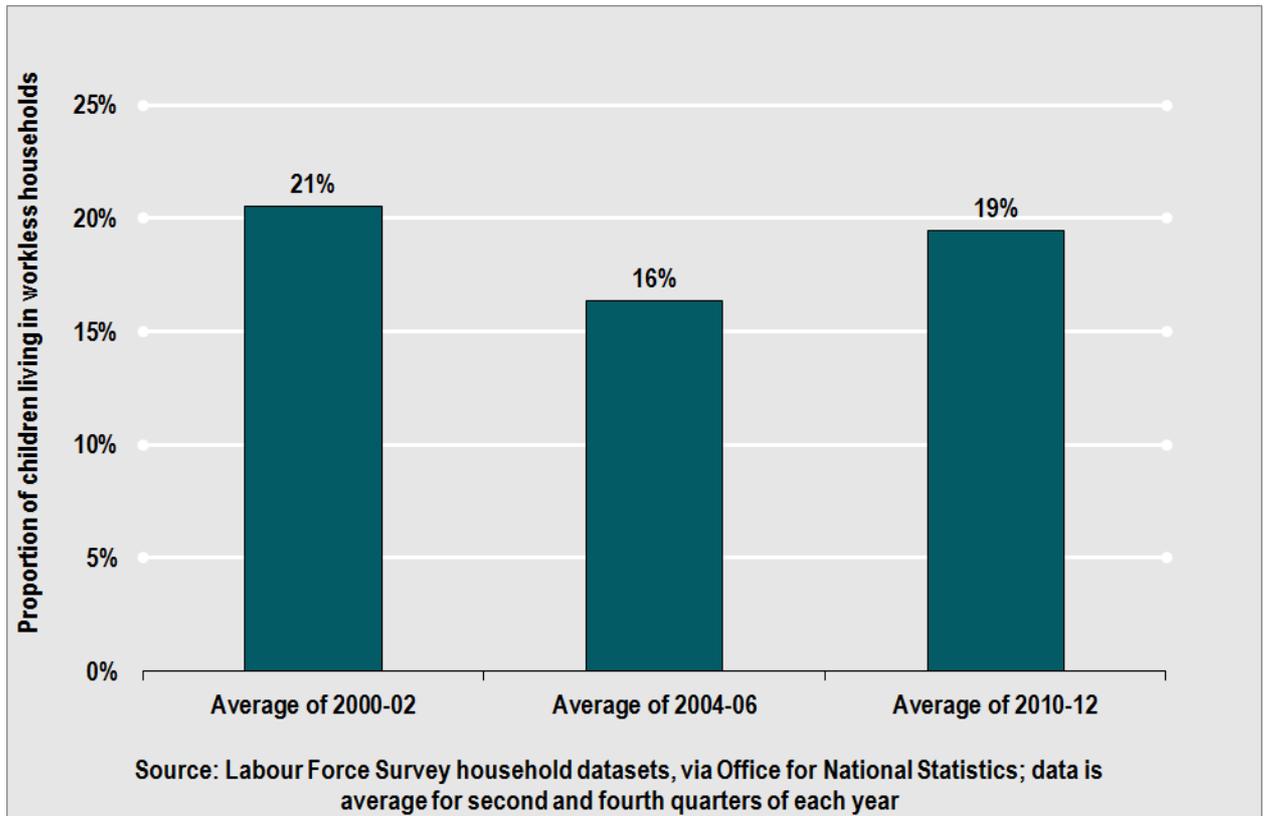
- By 2012, about 1 in 5 children were living in workless households in Wales.
- Compared with other regions, Wales saw the biggest rise in the proportion of children living in workless households since 2005.

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<sup>97</sup> Underemployed workers, as defined by the ILO, are ‘those people in employment who are willing to work more hours, either by working in an additional job, by working more hours in their current job, or by switching to a replacement job’. For more information see: <http://www.ilo.org/global/statistics-and-databases/statistics-overview-and-topics/underemployment/lang--en/index.htm>

## Levels and trend in Wales

### Proportion of children living in workless households over time



3.17 By the end of 2012, 19% or about 1 in 5 children were living in workless households in Wales. This amounted to about 101,000 children. The proportion in 2012 was around three percentage points higher than the baseline year of 2005. The increase from the baseline years is statistically significant.

3.18 Data for individual years shows that the proportion of children in workless households was falling continuously from 2001 until 2008, after which it started rising. In 2013, there are signs that this figure may be falling. In the first half of the year, 14% of children in Wales lived in workless households, a far lower figure than the previous year. This matches changes in the UK as a whole. Data for the second half of the year is not yet available.

## ***Wales compared with other regions***

### **Proportion of children in workless households by region over time**

	Average of 2004-06	Average of 2010-12	Change over time
The North	17%	18%	Worse
The Midlands	14%	16%	Worse
The South and the East	11%	11%	No change
London	24%	20%	Better
Wales	16%	19%	Worse
Scotland	15%	16%	No change

**Source: as above**

3.19 By 2012, Wales had the second highest proportion of children living in workless households in the UK; only London had a proportion higher than Wales. This was not the case in 2005 when the Welsh proportion was similar to the average. Since 2005, the North of England, the Midlands and Wales all saw increases in the proportion of children living in workless households, but the rise was the biggest in Wales.

3.20 The Child Poverty Strategy Progress Report published by the Welsh Government at the end of 2013 shows annual figures for the percentage of children living in workless households. The average of the figures shown there is 18.4%, around 1% below the number shown here. The technical explanation for the difference lies in the slight divergence between two very closely related, even overlapping official data source (the Annual Population Survey and the Labour Force Survey). But since the confidence interval for single year for this proportion is about +/-3%, a difference of just 1% between two, three-year averages, is statistically insignificant.

### ***Relevant policies***

- School Gates Employment Support Initiative in Blaenau Gwent and Merthyr Tydfil, 2009-11.
- Genesis Wales, 2004.
- Integrated Children's Centres, 2005.
- Steps to Employment, 2011.

## **Definitions**

3.21 This indicator looks at the proportion of children living in workless households i.e. households that include at least one person aged 16 to 64 where no one aged 16 or over is in employment. 'Children' refers to those under 16.

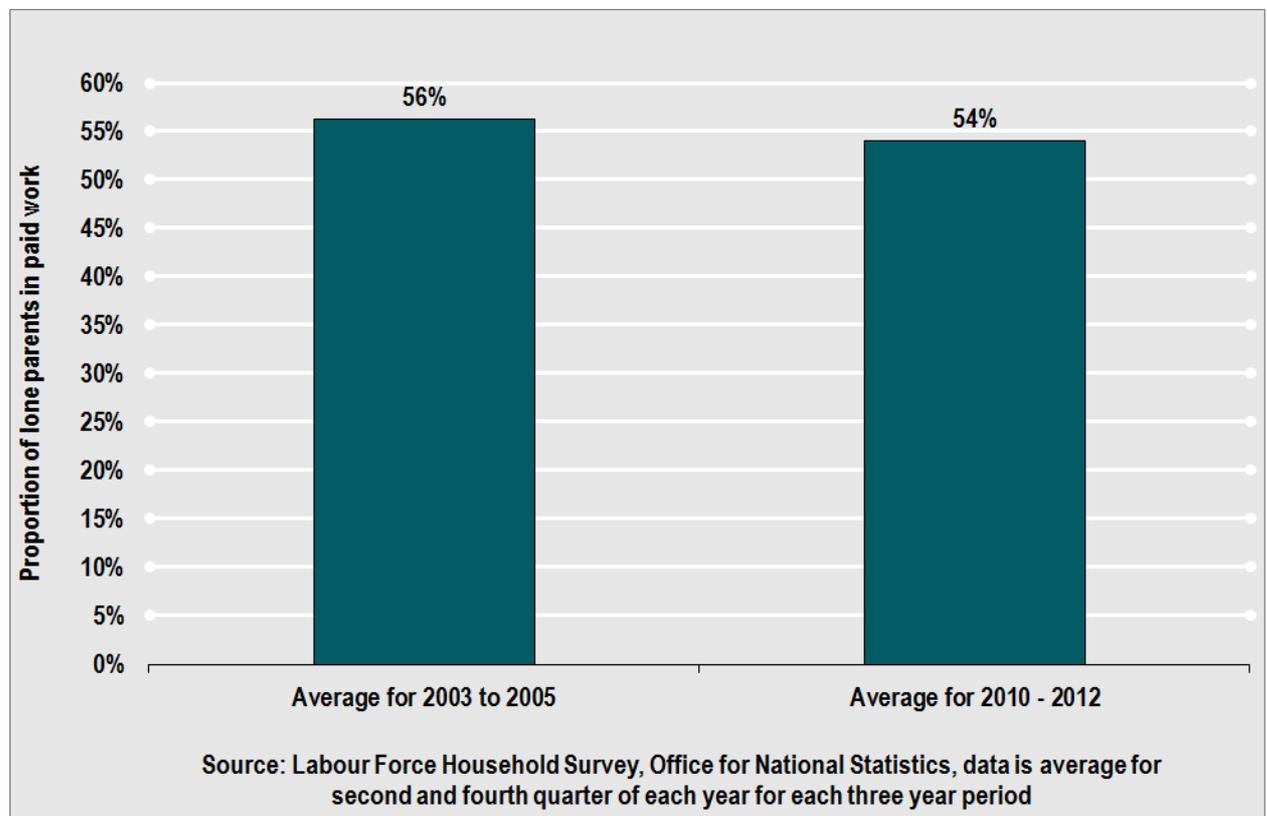
## **Lone parents in paid work**

### **Key points**

- Between 2010 and 2012 an average of 54% or 79,000 lone parents in Wales were in paid work.
- The lone parent employment rate in Wales has remained similar to the baseline year of 2005.
- Both the level and the changes over time are similar to the North of England.
- 

### **Levels and trend in Wales**

#### **Proportion of lone parents in work over time**



3.22 For the three years to 2012, just over half (54%) of lone parents in Wales were in paid work. This amounts to roughly 79,000 lone parents. The proportion had remained broadly unchanged since 2005. Though there is a slight fall in the proportion employed compared with the baseline, this is not significant given the small sample size.

3.23 The sample size for this statistic is quite small. The year-on-year data shows some sudden big changes that are unreliable so we use three year averages to give us a more reliable statistic. The long-term data suggests that lone parent employment was gradually rising between early to mid-2000s, was flat between 2005 and 2008 and then started dropping gradually.

### ***Wales compared with other regions***

#### **Proportion of lone parents in paid work by region over time**

	<b>Average for 2003 to 2005</b>	<b>Average for 2010 - 2012</b>	<b>Change over time</b>
The North	55%	57%	Better
The Midlands	56%	58%	No change
The South and the East	61%	64%	Better
London	42%	50%	Better
Wales	56%	54%	No change
Scotland	57%	58%	No change

**Source: as above**

3.24 In 2012, the proportion of lone parents in paid work in Wales was slightly lower than the regions in the North of England, the Midlands, and Scotland. It was significantly lower than in the South and East of England and higher than London. The proportion in Wales and Scotland did not change much over the period, but rose in London, the South and East and North of England.

### ***Relevant policies***

- Genesis Wales, 2004.
- Integrated Children's Centres, 2005.
-

## Definitions

3.25 This indicator looks at the proportion of 'working age' lone parents i.e. those between 16 and 64 years of age. In 'paid work' refers to those with jobs or those in self-employment.

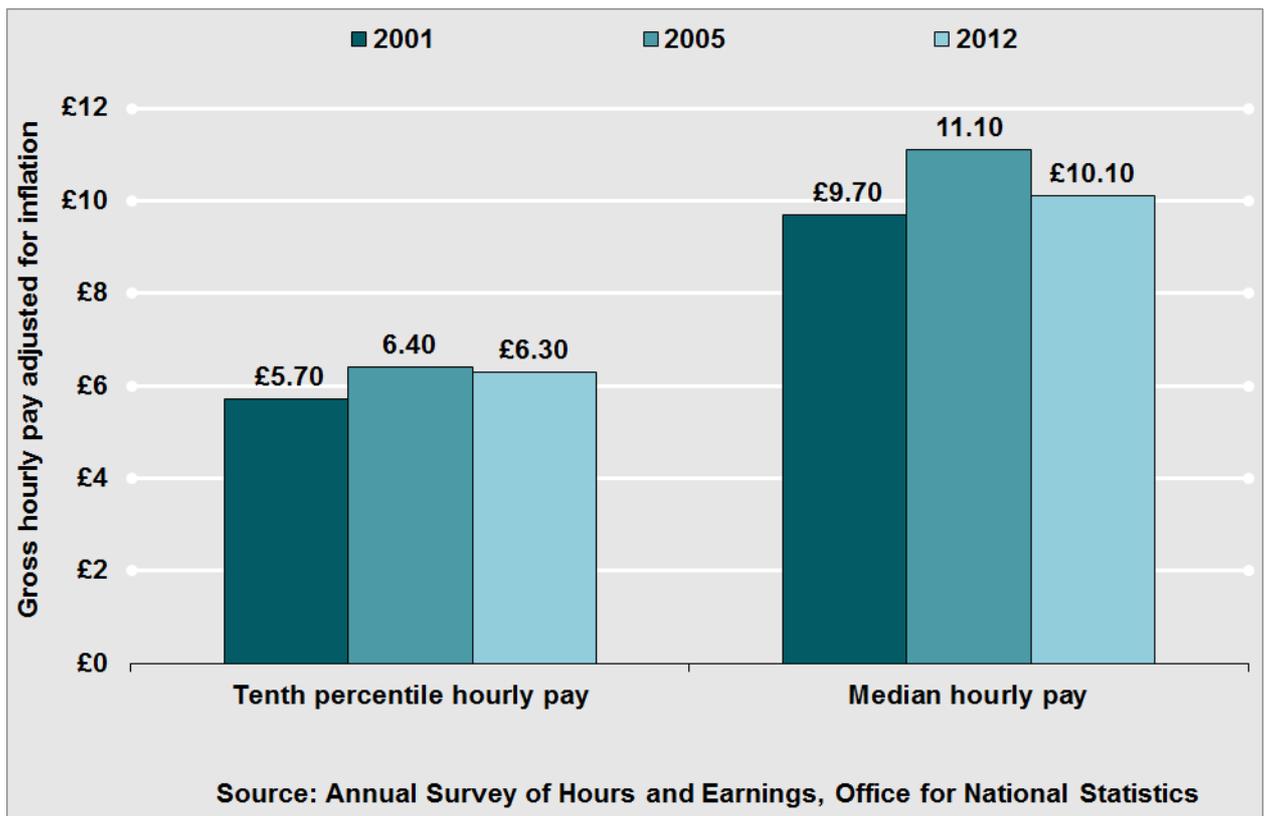
## Median and 10<sup>th</sup> percentile hourly pay

### Key points

- Hourly pay in Wales at the bottom of the distribution was the same in 2012 as 2005, but median hourly pay fell over this period
- Hourly pay in Wales, both at the bottom and in the middle, was lower than any other region.

## Levels and trend in Wales

10<sup>th</sup> percentile and median gross hourly pay in Wales over time, 2012 prices



3.26 Looking at pay at the bottom (tenth percentile value), the hourly rate in 2012 was £6.30, marginally lower than £6.40 in 2005, although somewhat higher than the rate a decade earlier (£5.70).

3.27 Median hourly pay in 2012 was £10.10, lower than the corresponding value of £11.10 in 2005 and though slightly higher than a decade earlier when it was £9.70.

### ***Wales compared with other regions***

#### **10<sup>th</sup> percentile and median hourly pay by region over time, 2012 prices**

	2005		2012	
	Tenth percentile	Median	Tenth percentile	Median
North East	£6.22	£10.46	£6.29	£10.31
North West	£6.43	£11.13	£6.30	£10.46
Yorkshire and The Humber	£6.40	£10.73	£6.32	£10.29
East Midlands	£6.42	£11.00	£6.29	£10.18
West Midlands	£6.48	£11.09	£6.28	£10.37
East	£6.64	£12.12	£6.40	£10.80
London	£7.50	£15.33	£7.29	£15.70
South East	£6.97	£12.84	£6.65	£12.06
South West	£6.49	£11.03	£6.38	£10.36
Wales	£6.40	£10.82	£6.26	£10.05
Scotland	£6.46	£11.18	£6.46	£11.04

**Source: as above. Rounded to nearest 10 pence.**

3.28 Pay in Wales, both at the bottom and in the middle, was lower than any English region, though the difference between regions in the North of England and Wales is marginal. Between 2005 and 2012, there was no growth in median pay in any part of GB.

### ***Definitions***

3.29 In order to adjust hourly pay rate for inflation, the Consumer Price Index has been used.

## **4 Education and qualifications**

### ***Indicators***

- Attainment gap at Key Stage 2 - pupils not achieving Key Stage 2 Core Subject Indicator (CSI) by Free School Meals (FSM) status.
- Attainment gap at GCSE - pupils aged 15 not getting 5 GCSEs at A\*-C including English/Welsh and Mathematics by FSM status.
- Education attainment of young adults – lacking qualifications at NVQ Level 3.
- Young people not in education, employment or training.
- Adult learning - lacking qualification equivalent to Level 3 or above.
- 

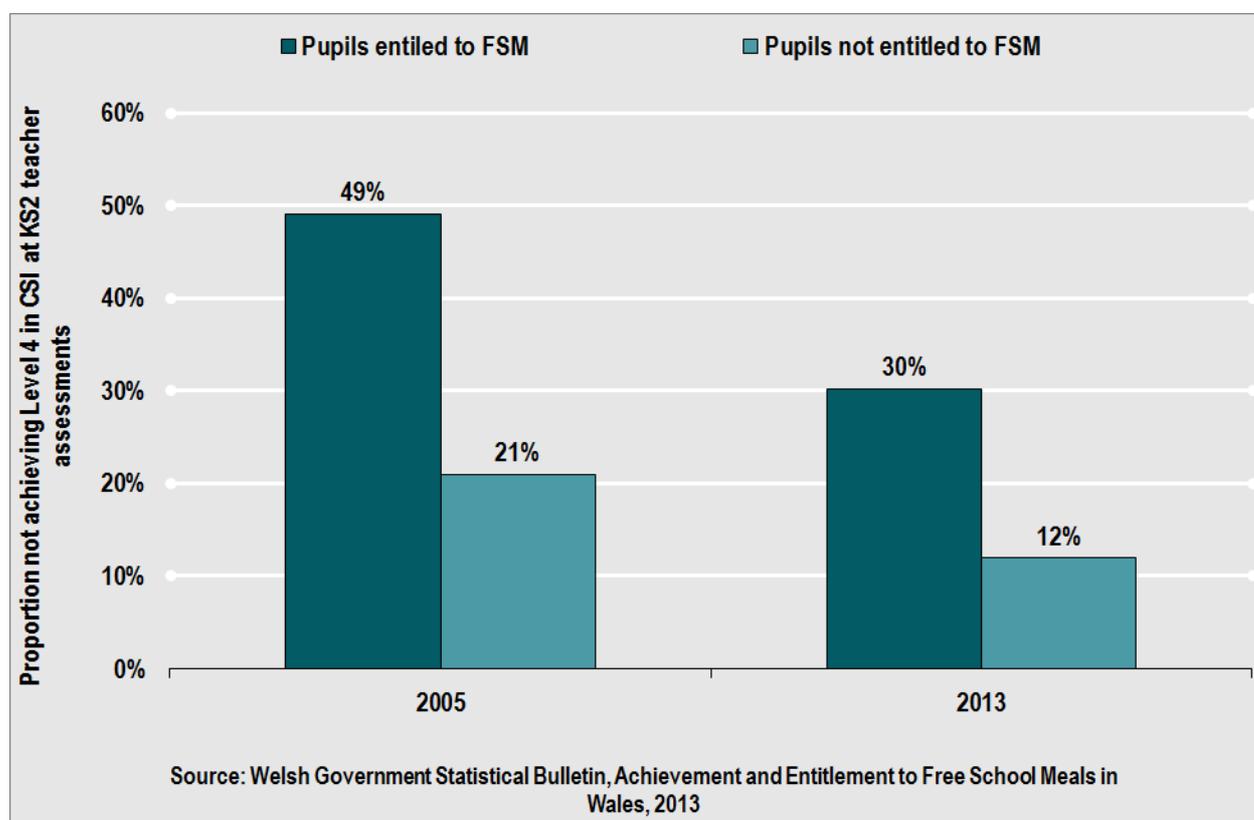
### ***Attainment gap at Key Stage 2***

#### ***Key points***

- About 30% of pupils eligible for FSM and 12% not eligible for FSM fail to reach Level 4 in CSI at Key Stage 2.
- The attainment gap between FSM and non-FSM pupils has been narrowing steadily over the period from 2005 to 2013.
-

## ***Levels and trend in Wales***

### **Proportion of pupils not achieving Level 4 in CSI at KS2 by free school meals status over time**



- 4.1 Overall, just over a sixth (4,800) of pupils did not reach Level 4 in the CSI at KS2. There was a significant difference between the performance of pupils eligible for free school meals (FSM) and those not eligible (non-FSM). This is referred to as the 'FSM gap'. The proportion not attaining the stated level among FSM students (30%) was more than twice the proportion for non-FSM students (12%).
- 4.2 However, the performance of both FSM and non-FSM pupils in Wales has been improving since 2005, with this progress faster for those on FSM. As a result, the attainment gap has fallen over the period, from 28 percentage points in 2005 to 18 points in 2013

### ***Wales compared with other regions***

- 4.3 Though Key Stage 2 performance by free school meal entitlement in Wales can be compared with that in England, a CSI indicator is not

published in England. However, looking at attainment in English and Mathematics, about 34% of pupils on FSM did not achieve Level 4 in 2012, twice the proportion for non-FSM pupils (18%). The attainment gap is similar to that in Wales (see National Curriculum Assessments for Key Stage 2 Pupils, Academic Year 2012, , Department for Education, Table 10a)

### ***Relevant policies***

- The Primary School Free Breakfast Initiative, 2007.
- Raising Attainment and Individual Standards in Education (RAISE), 2006-07 to 2008-09.
- School Effectiveness Framework, 2008.
- 

### ***Definitions***

- 4.4 The CSI represents the percentage of pupils achieving the expected level or above in English or Welsh (First Language), Mathematics and Science in combination.
- 4.5 To receive free school meals, parents have to receive means tested out-of-work benefits. Free school meals are the best available proxy measure for low income in education statistics.

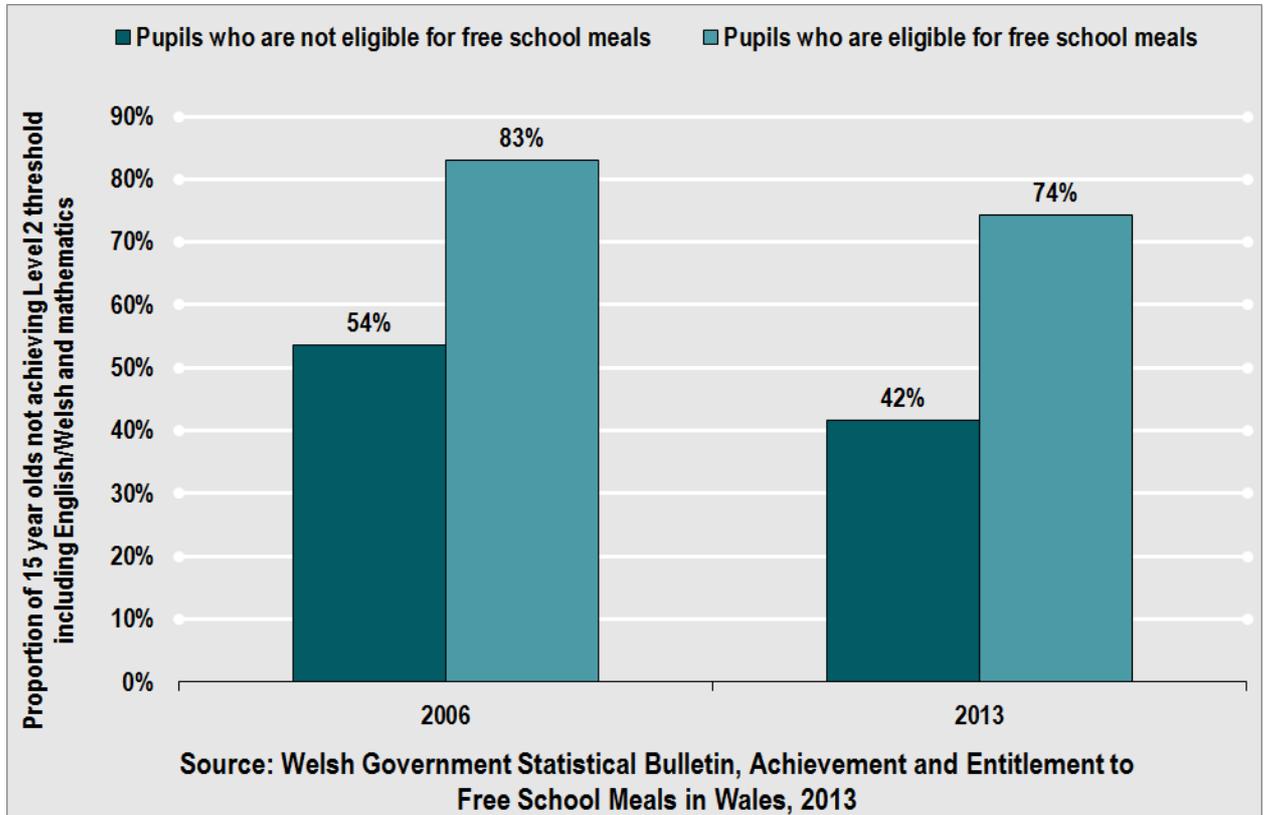
### ***Attainment gap at GCSE***

#### ***Key points***

- Overall about 47% or 17,000 pupils do not get 5 GCSEs at A\*-C including English/Welsh and Mathematics. With three-quarters falling short of this level, the proportion is much higher for pupils receiving free school meals.
- The FSM attainment gap in 2013 was much wider than in the baseline year; it increased every year between 2006 and 2010, but fell slightly between 2011 and 2013.
-

## Levels and trend in Wales

### Proportion of 15 year olds not achieving 5 GCSEs at A\*-C including English/Welsh and Mathematics by free school meals status over time



- 4.6 A little less than half (42%) of the pupils not receiving free school meals do not achieve 5 GCSEs at A\*-C including English/Welsh and Mathematics. This compares to over three-quarters (74%) of those receiving FSM. Overall, about 47% or 17,000 pupils do not reach this threshold.
- 4.7 The difference in educational attainment between pupils receiving free school meals and pupils not receiving free school meals - the 'FSM gap' – was, at 33 percentage points in 2013, wider than in 2006 (29 percentage points). In fact, the FSM gap increased every year between 2006 and 2010, before starting to fall slightly in 2012 and 2013.
- 4.8 The gap has widened despite improvements in performance of both FSM and non-FSM pupils every year since 2006. This is because the proportion not reaching 5 GCSEs at A\*-C including English/Welsh and Mathematics declined at a faster rate for non-FSM students, dropping by

12 percentage points between 2006 and 2013, than for FSM students, for whom it declined by 9 percentage points over the same period.

### ***Wales compared with other regions***

- 4.9 Key Stage 4 performance by free school meal entitlement in Wales is not directly comparable with that in England. In Wales, the data is based on pupils aged 15 at the start of the academic year, whereas in England it is based on pupils at the end of Key Stage 4. However, based on this similar measure, the FSM gap in England has remained relatively constant, narrowing by just under 2 percentage points between 2006 and 2012 (see GCSE and Equivalent Attainment by pupil characteristics, 2012, Department for Education).
- 4.10 Comparisons cannot be made with Scotland due to the differences in qualification structure.

### ***Relevant policies***

- Raising Attainment and Individual Standards in Education (RAISE), 2006-07 to 2008-09.
- School Effectiveness Framework, 2008.
- 

### ***Definitions***

- 4.11 The graph shows the percentage of pupils aged 15 at the start of the academic year not achieving 5 GCSEs at A\*-C including English/Welsh and Mathematics. This is equivalent to the NVQ Level 2 threshold.
- 4.12 To receive free school meals, parents have to receive means tested out-of-work benefits. Free school meals are the best available proxy measure for low income in education statistics.

## ***Education attainment of young adults***

### ***Key points***

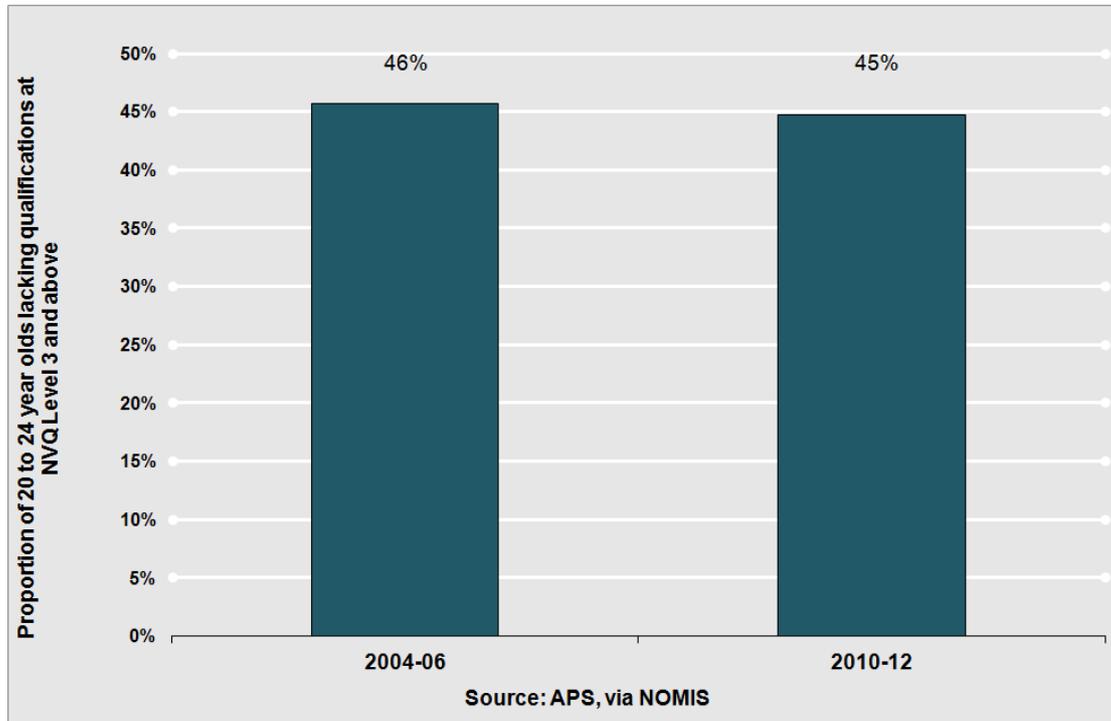
- Some 45% of 20 to 24 year olds in Wales lacked a qualification at Level 3 (also known as HND 3, equivalent to 2 A-levels) or above.
- Compared with 2005, there has been only a very slight fall.

- The actual figure varies from year to year, but within a quite narrow band.

•

**Levels and trend in Wales**

**Proportion of 20 to 24 year olds lacking qualifications at NVQ Level 3 over time**



4.13 45% of 20 to 24 year olds in Wales lacked a qualification at Level 3 or above in the three years to 2012. This amounts to some 93,000 young adults. Those counted as having such a qualification include those on trade apprenticeships

4.14 It is difficult to interpret changes between individual years because the year-on-year estimates move around between 45% and 49%. For this reason we have combined three years' worth of data.

## ***Wales compared with other regions***

**Proportion of 20 to 24 year olds lacking qualifications at NVQ Level 3 by region over time**

	<b>2004-2006</b>	<b>2010-2012</b>	<b>Change over time</b>
The North	48%	44%	Better
The Midlands	49%	46%	No change
South & the East	45%	42%	No change
London	46%	34%	Better
Wales	46%	45%	No change
Scotland	41%	40%	No change

**Source: as above**

4.15 The proportion of young adults lacking Level 3 qualification in Wales is slightly above the national average, with only the Midlands having higher levels than Wales. Only London has seen a really sharp fall in this level over the period we analyse, but London's 20-24 year old population is not really comparable to any other part of the country, as it is so much more mobile. Falls of around three percentage points were also seen in the English North and South/East.

### ***Relevant policies***

- Communities First, 2001.
- The Pathways to Apprenticeship, 2010-11.
- The Young Recruits Programme, 2009.
- Education Maintenance Allowances.
- 

### ***Definitions***

4.16 The graph shows the percentage of 20-24 year olds lacking at least a Level 3 qualification. For the calculation, we classify Trade Apprenticeships as Level 3, as well as the standard Level 3 and 4 qualifications.

4.17 This is slightly, but only slightly, different from the data used by the Welsh Government for its own monitoring purposes. The results are almost identical, differing by only one percentage point over the most

recent three years. Moreover, both methods pick up a fall in the figure in the most recent single year's data.

## ***Young adults not in education, employment or training***

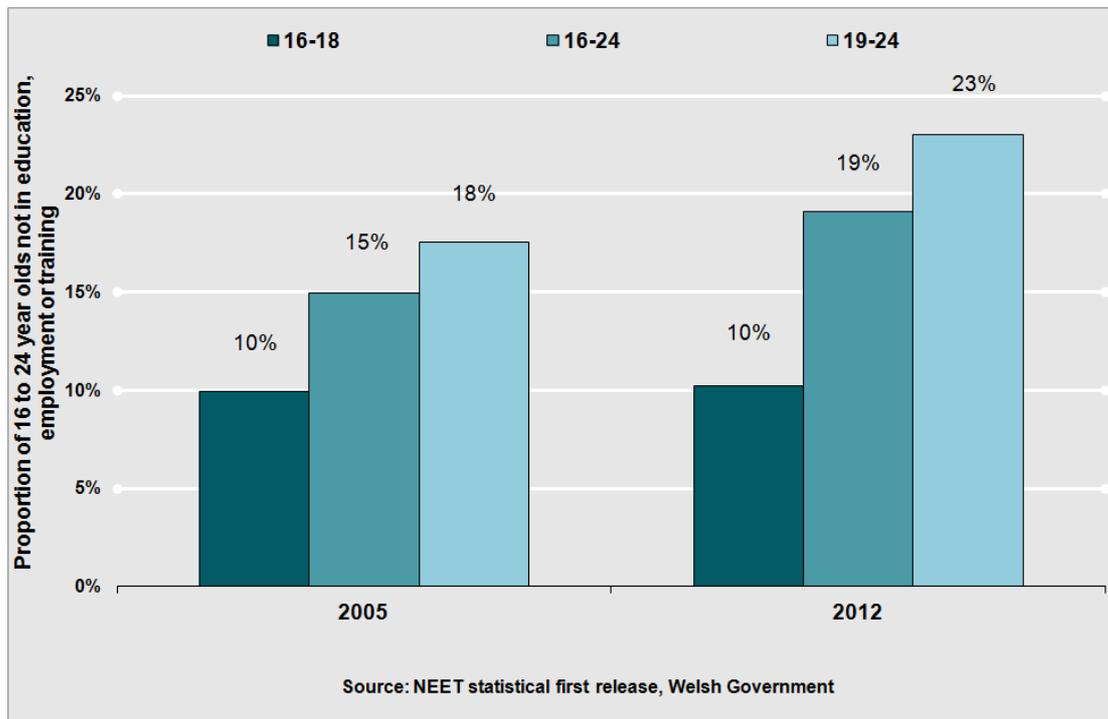
### ***Key points***

- *Around a fifth of young adults aged 16 to 24 (19%) were not in education, employment or training (NEET) in Wales at the end of 2012.*
- This proportion is considerably higher than in the baseline year. The rise between the two years is due almost entirely to a rise in the proportion among those aged 19 to 24.

•

### ***Levels and trend in Wales***

**Proportion of 16 to 24 year olds not in education, employment or training over time**



4.18 By the end of 2012, around a fifth (19%) or about 71,000 young adults aged 16 to 24 were NEET. Compared with 2005, this proportion has risen by about four percentage points. The increase has been driven almost entirely by a rise among the 19 to 24 year olds (from 18% to

23%); the proportion of 16 to 18 year old NEETs being broadly unchanged compared with the baseline year (at around 10%).

4.19 The data shows that the proportion of 16 to 24 year olds classified as NEET was falling continuously between 2001 and 2004, which is the low point in the series. It then started rising gradually but steadily, leaping in 2009 to above 19% (the highest ever in the series starting from 1996) where it has remained. It should also be noted that the figure for 16 to 18 year olds in the latest year is some two percentage points lower than in the years immediately preceding.

4.20 Other analysis of this data by the Welsh Government indicates a 95% confidence interval on all-Wales estimates of the proportion of 16 to 24 year-old of around 1.3%.<sup>98</sup> On this basis, a difference between any two years of more than 2% is statistically significant. The rise here is 4%.

### ***Wales compared with other regions***

4.21 Regional breakdowns of NEETs rates, computed using comparable methodologies, are not available. Using a different source, however, inter-country comparisons are available, for both 16 to 18 and 19 to 24. For 16 to 18 year-olds, a Welsh rate of 12% compares with 9% in England and 12% in Scotland. For 19 to 24 year-olds, a Welsh rate of 23% compares with 19% in England and 16% in Scotland.

### ***Relevant policies***

- Communities First, 2001.
- Youth Engagement and Employment Action Plan (2011 to 2015).
- The Traineeship Programme, 2011.
- The Pathways to Apprenticeship, 2010-11.
- The Youth Entrepreneurship Strategy (YES), 2010-15.

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<sup>98</sup> <http://wales.gov.uk/docs/statistics/2012/120306youngpeopleen.pdf>. The figure of 1.4% is for 2010.

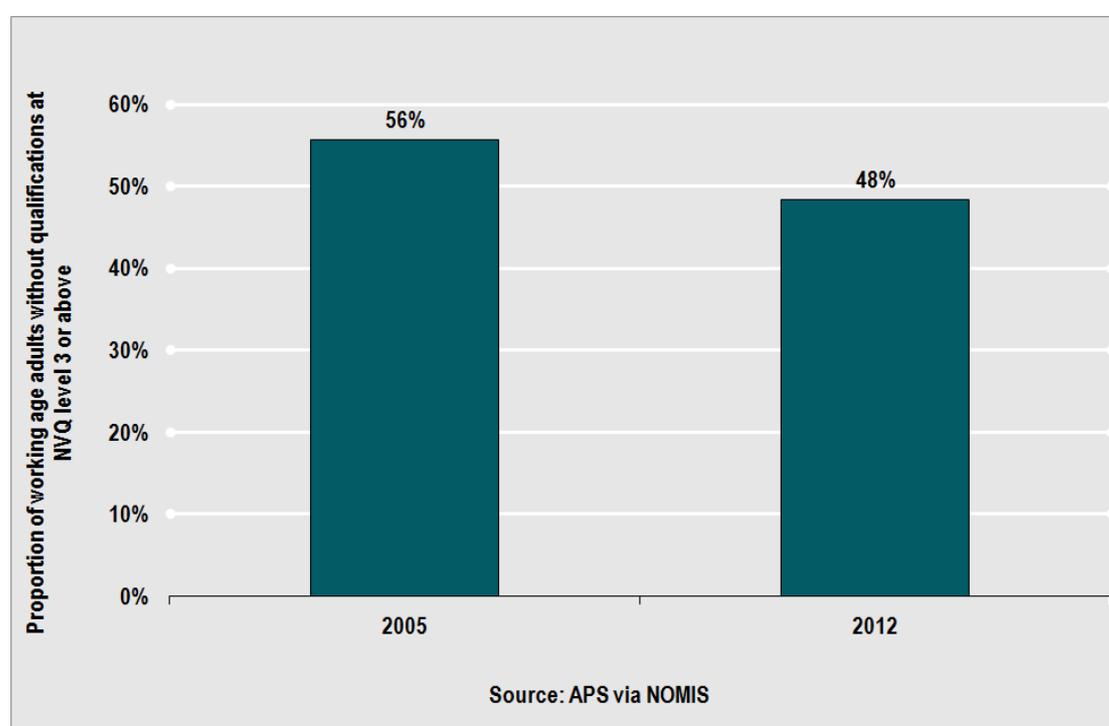
## ***Adult learning (lacking qualification equivalent to level 3 or above)***

### ***Key points***

- Around half of all working age adults in Wales lack qualification at or above NVQ Level 3.
- This proportion was lower in 2012 than in the baseline year.
- 

### ***Levels and trend in Wales***

#### ***Proportion of working age adults without qualifications at NVQ Level 3 or above over time***



4.22 By the end of 2012, just under half or 975,000 adults aged 16 to 64 lacked a NVQ Level 3 qualification. This was about 8 percentage points lower than the proportion in 2005 and the fall is statistically significant.

4.23 Data for individual years suggests that the proportion of adults lacking Level 3 qualifications was gradually but steadily falling between 2005 and 2012.

4.24 A large part of this change is simply compositional – younger people joining the labour force are more qualified on average than the older people they replace.

## Wales compared with other regions

Proportion of working age adults without qualifications at NVQ3 or above by region over time

	2005	2012	Change over time
The North	55%	49%	Better
The Midlands	56%	50%	Better
The South and the East	51%	43%	Better
London	51%	37%	Better
Wales	56%	48%	Better
Scotland	46%	41%	Better

Source: as above

4.25 The proportion of working age adults lacking Level 3 qualifications in Wales was slightly above the national average. All the regions have seen improvements in adult learning since 2005.

### ***Relevant policies***

- The Employer Pledge, 2010-15.

## 5 Housing and services

### Indicators

- Families living in temporary accommodation.
- Families living in overcrowded conditions.
- Households with children lacking bank accounts.
- 

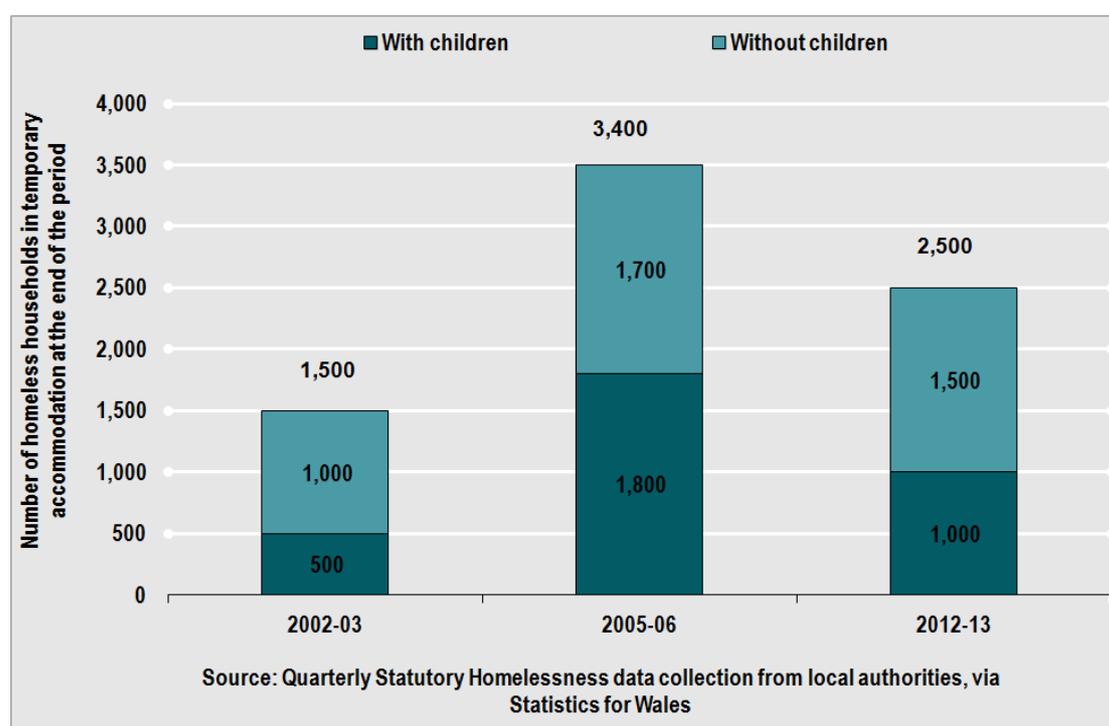
### Families living in temporary accommodation

#### Key points

- At the end of the first quarter of 2013, around 2,500 homeless households were placed in temporary accommodation in Wales.
- This number has decreased compared with the baseline year.
- 

#### Levels and trend in Wales

##### Number of homeless households in temporary accommodation over time



5.1 At 2,500, the number of homeless households in temporary accommodation by the early 2012-13 was about 1,000 less than the number in 2005-06, which was the peak point in the series. Families with

children made up about 40% of the total households in temporary accommodation in 2012-13 and this share has declined over the years.

- 5.2 However, the year by year data show that following the downward trend in the number of households accommodated temporarily since 2005-06, the figure began to increase in 2010-11 and 2011-12, before falling back again in 2012/13.

### ***Wales compared with other regions***

- 5.3 It is not possible to compare homelessness in Wales to that in England, due to differences in the laws applicable to homelessness eligibility and provisions. However, the overall trend in England has been similar – a rise to the middle of the last decade followed by a fall thereafter.

### ***Relevant policies***

- Ten Year Homelessness Plan for Wales from 2009 to 2019.
- 

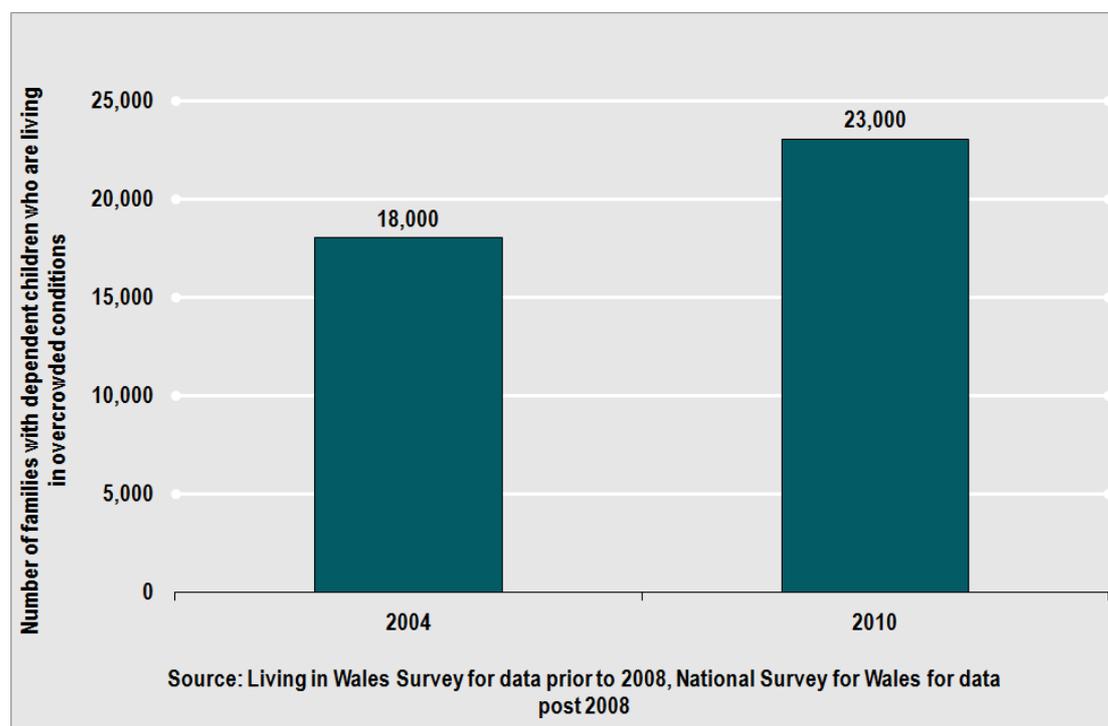
### ***Families with children living in overcrowded conditions***

#### ***Key points***

- 5.4 The number of families with dependent children living in overcrowded conditions increased between 2004 and 2010, though the rise is not statistically significant.

## ***Levels and trend in Wales***

### **Number of families with dependent children who are living in overcrowded conditions**



5.5 In 2009-10, about 5% or 23,000 families with at least one dependent child were living in overcrowded conditions. This number was up by around 5,000 since 2004.

### ***Wales compared with other regions***

5.6 Though comparable numbers on the same basis (families with dependent children) are not published for the English regions, the overall overcrowding trends for all households in England show a persistent rise over the baseline period, especially in the rented sectors.

### ***Relevant policies***

- Housing (Wales) Bill
- 

### ***Definitions***

5.7 Overcrowding is measured by the Bedroom Standard. Data for 2004 is sourced from the Living in Wales Survey and data for 2009-10 comes from the National Survey for Wales. The data is broadly comparable.

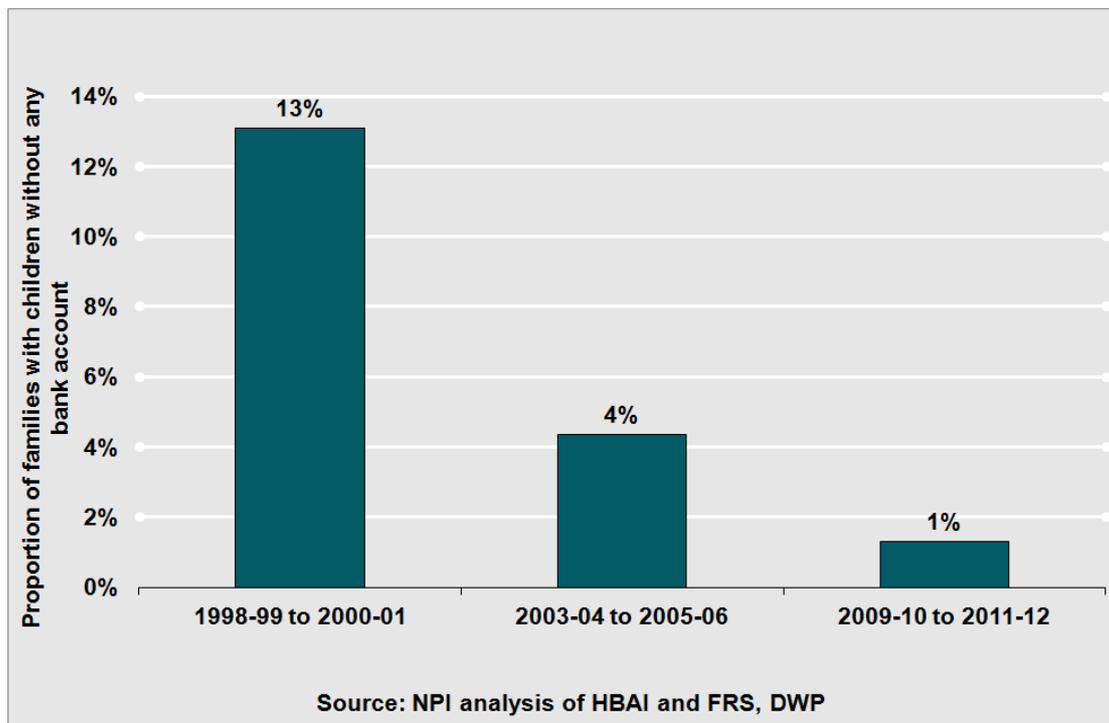
## ***Families (with children) lacking bank accounts***

### ***Key points***

- In the three years to 2010-11, only 1% of families with children in Wales did not have any bank account.
- This proportion declined substantially over the last decade and fell again more recently. It is now indistinguishable from zero.
- 

### ***Levels and trend in Wales***

#### **Proportion of families (with children) lacking bank accounts over time**



5.8 By the end of 2011-12, around 1% of families with children did not have any type of bank account. This proportion declined rapidly over the last 10 years, from 13% in the three years to 2000-01 to 4% in the baseline period. It has fallen further in the two most recent years for which data is available.

## ***Wales compared with other regions***

**Proportion of families (with children) lacking bank accounts by region over time**

	<b>2003-04 to 2005-06</b>	<b>2009-10 to 2011-12</b>	<b>Change over time</b>
The North	5%	2%	Better
The Midlands	7%	4%	Better
The South and the East	2%	1%	Better
London	5%	2%	Better
Wales	4%	1%	Better
Scotland	5%	1%	Better

**Source: as above**

5.9 The proportion of families with children who lack bank accounts is low across GB.

### ***Relevant policies***

- Financial Inclusion Strategy.
- Access to financial services through Credit Unions project.
- 

### ***Definitions***

5.10 Families (with children) without a bank account refer to families lacking any type of account, including savings accounts, basic accounts, Credit Union membership and Post Office Card Accounts (POCA).

## 6 Health

### *Indicators*

- Infant mortality by deprivation quintiles.
  - Low birth weight by deprivation quintiles.
  - Five year olds with dental caries by deprivation quintiles.
  - Young people with dental caries by deprivation quintiles.
  - Under-16 conceptions by deprivation quintiles.
  - Pedestrian injuries 5-14 year olds (hospital inpatient) by deprivation quintiles.
  - Children who are killed or seriously injured in road accidents.
- 6.1 All of the above indicators, except the last one, measure progress in terms of the difference (ratio) in outcomes between the most deprived areas and the middle deprived areas in Wales. They are thus indicators of health inequalities within Wales.
- 6.2 We have drawn heavily on the data published in the Milestones Report (November 2011). For indicators that use averages over years or where no data is available for the baseline year (2005), we have used the period from 2000 to 2004 as the baseline period to roughly correspond to the period before the old Child Poverty Strategy was introduced and tracked changes since then.
- 6.3 Deprivation quintiles are calculated using the lower layer super output areas (LSOAs) rankings from the combined income and employment domains of the Welsh Index of Multiple Deprivation (WIMD). Only these two domains are used as they best represent 'poverty'. The Welsh Index of Multiple Deprivation ranks the 1,896 LSOAs of Wales by deprivation, where rank one is the most deprived, and 1,896 the least. Figures for 2000-2004 are based on WIMD 2005 rankings; 2004-08 are based on WIMD 2008 rankings.
- 6.4 Both the income and employment domains in 2008 had an extra indicator each compared with the domains in 2005, but there is no indication that this makes a substantial difference to the calculations here based on deprivation quintiles.

6.5 All the analysis in this section rests on the two points in time for which we have data. Given the small numbers in many of the indicators, a reliable year-on-year time series is impossible.

## **Infant mortality**

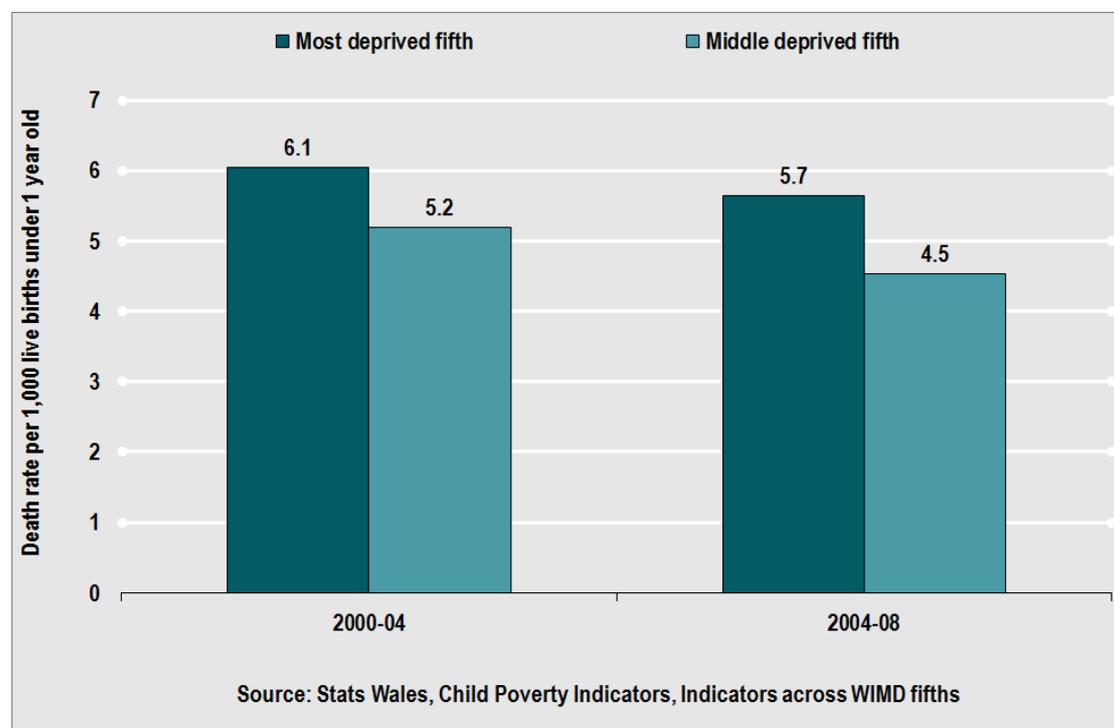
### **Key points**

- The gap in the infant mortality rate between the most deprived areas and those in the middle had not narrowed between 2000-04 and 2004-08.

- 

### **Levels and trend in Wales**

#### **Infant mortality rate per 1,000 live births over time**



6.6 This indicator measures the differences in infant mortality rates by the level of deprivation in an area. The difference between the values for the most deprived and middle most deprived fifths is used to monitor progress.

6.7 In the five years to 2008, the infant mortality rate in the most deprived fifth of the areas was 5.7 per 1,000 live births, compared with 4.5 per 1,000 in the middle deprived fifth, giving a bottom to middle ratio of 1.24. The comparable figures for the period 2000-04 were 6.1 per 1,000 live

births for the most deprived compared with 5.2 per 1,000 for the middle deprived fifth, giving a ratio of 1.17.

- 6.8 This implies that the gap between the mortality outcomes in the most deprived and the average areas had remained more or less the same despite the mortality rates coming down in each quintile. The fall in the rate in the middle deprived fifth was slightly faster than the fall in the most deprived.

### ***Relevant policies***

- Flying Start, 2006.
- The Healthy Start Scheme, 2006.
- Tobacco Action Plan, 2012.
- 

### ***Definitions***

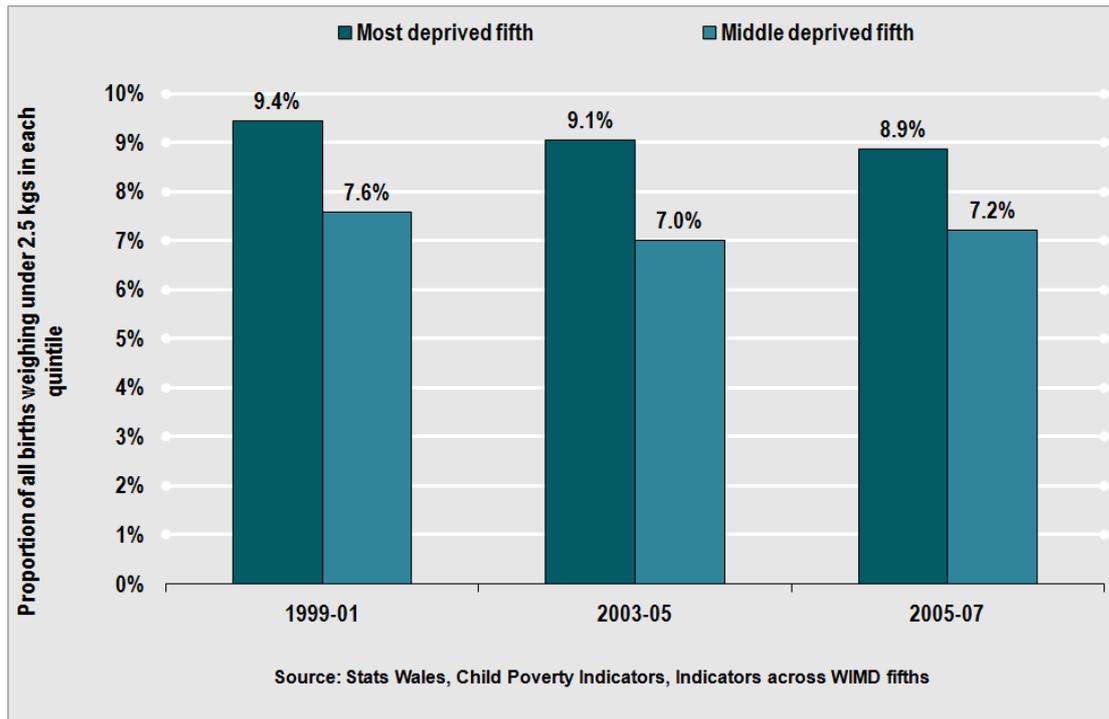
- 6.9 The figures here are the five year average of infant death rate per 1,000 live births under one year old.

### ***Low birth weight babies***

#### ***Key points***

- Though no new data by deprivation quintile is available beyond 2007, the gap in the proportion of babies born with low birth weight between most deprived and middle deprived areas remained at around two percentage points between 1999-2001 and 2005-2007.

## Levels and trend in Wales



6.10 This indicator looks at the proportion of babies born with low birth weight by the area deprivation quintile. As with infant mortality rates, the difference between the values for the most deprived and middle most deprived fifths is used to monitor progress.

6.11 For the most recent data period (2005-2007), about 9% of babies born in the most deprived quintile weighed less than 2.5 kgs, compared with 7% in the middle fifth. This gives a bottom to middle ratio of 1.24. Looking at data from 1999-2001 onwards, the ratio has remained fairly constant.

### **Relevant policies**

- Flying Start, 2006.
- The Healthy Start Scheme, 2006.
- A strategic vision for maternity services in Wales, 2011

Recent initiatives:

Tobacco Action Plan, 2012.

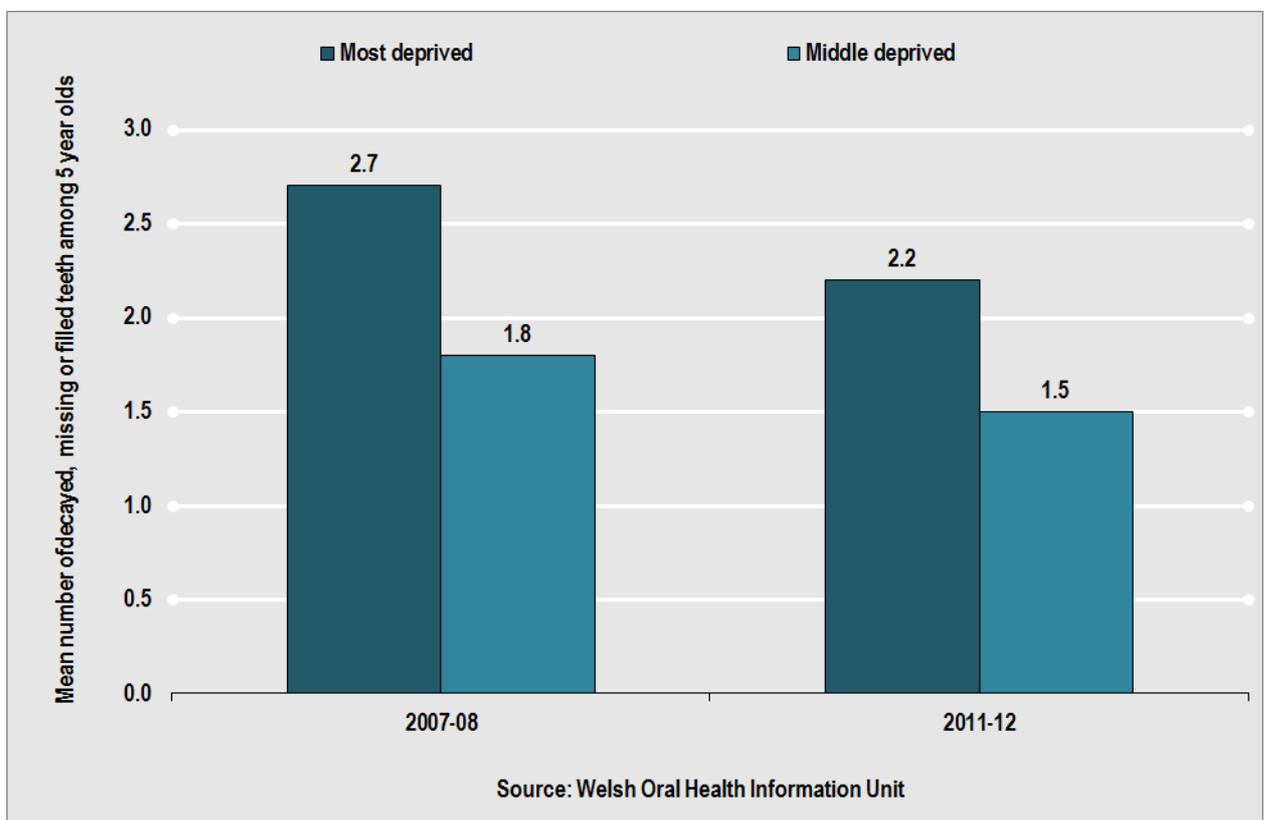
## Definitions

6.12 The figure used is a three year average of the proportion of all births weighing under 2.5kg in each deprivation quintile.

## Five year olds with dental caries

### Key points

- Among 5 year olds in Wales, the average number of decayed, missing or filled teeth fell between 2007/08 and 2011/12
- The fall was slightly greater for those in more deprived areas, meaning the gap between more deprived areas and average areas closed



## Levels and trend in Wales

6.13 In 2011/12, the average number of decayed, missing or filled (dmft) among 5 year olds in the most deprived fifth of areas was 2.2, a fall from 2.7 four years earlier.

6.14 In the middle fifth of deprived areas, the figure had fallen from 1.8 to 1.5, a smaller fall. This means that the gap between the most deprived areas and the areas of average deprivation fell from 0.9 dmft to 0.7.

### ***Relevant policies***

- Designed to Smile, 2008.
- Welsh Network of Healthy School Schemes.

### ***Definitions***

6.15 This indicator refers to decayed, missing or filled deciduous (milk) teeth (dmft). The mean dmft figure shows the mean number of decayed missing or filled teeth in all children aged five.

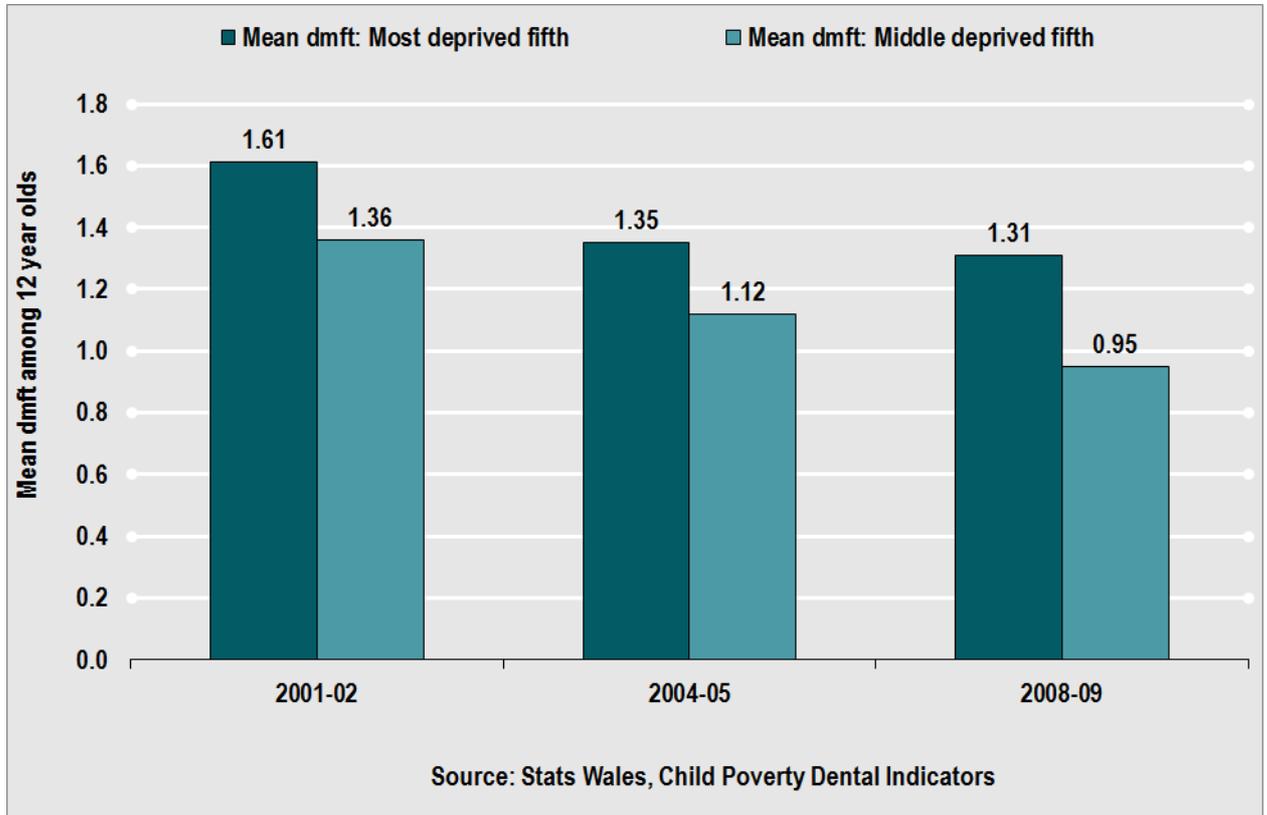
### ***Young people with dental caries***

#### ***Key points***

- There was not any significant change in the ratio of mean, decayed, missing or filled teeth among 12 year olds between the most and middle deprived fifths between 2004-05 and 2008-09.
- Overall, child dental health has improved among all groups.

## Levels and trend in Wales

Mean number of decayed, missing or filled teeth by deprivation quintiles over time



6.16 This indicator measures dental caries in adult teeth, as recommended by the World Health Organisation. It looks at the difference in the average number of decayed, missing or filled teeth (dmft) among 12 year olds in the most deprived and middle most deprived WIMD fifths.

6.17 In the baseline year of 2004-05, 12 year olds in the most deprived fifth had on average 1.35 dmft, compared with 1.12 in the middle deprived fifth, with the bottom to middle ratio being 1.2. In 2008-09, children living in the most deprived fifth area of Wales had an average of 1.31 dmft; compared with 0.95 dmft in the middle deprived fifth, the ratio being 1.4. This implies that there was no narrowing of the gap between the most deprived and the middle deprived areas.

### **Relevant policies**

- Designed to Smile, 2008.
- Welsh Network of Healthy School Schemes.

### **Definitions**

6.18 This indicator refers to decayed, missing or filled adult teeth (dmft). The mean dmft figure shows the mean number of decayed, missing or filled teeth in all children aged 12.

### **Under-16 conceptions**

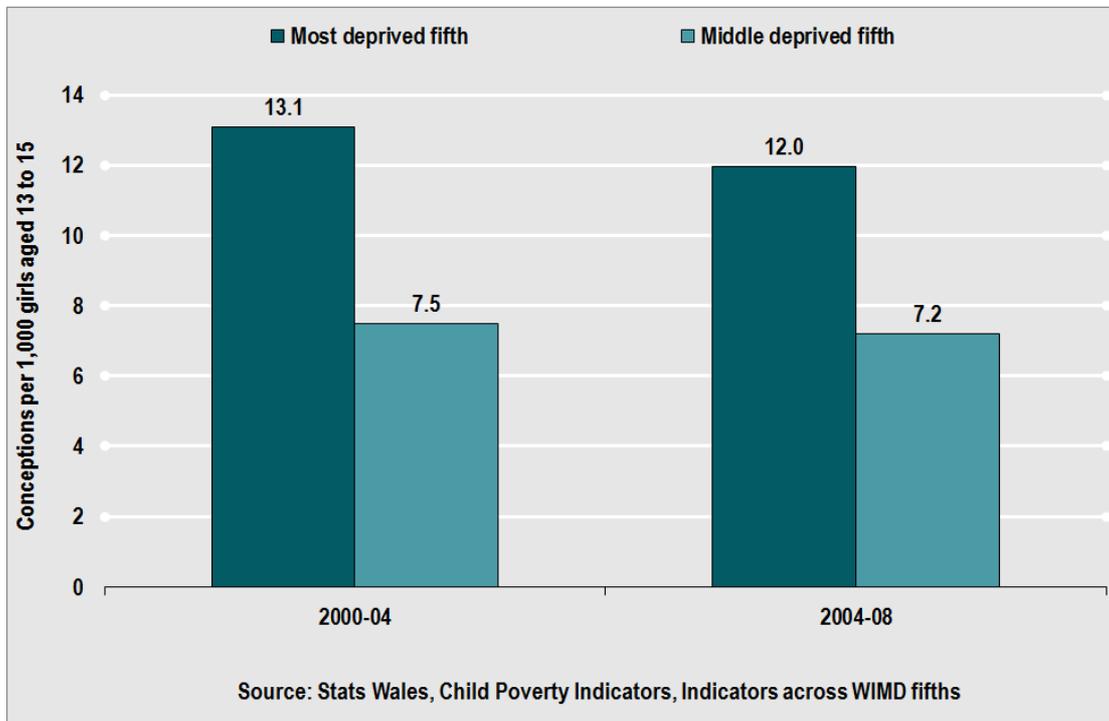
#### **Key points**

- There has been no change in the ratio of teenage conception rates of under-16s between the most deprived and the average areas in Wales between 2000-2004 and 2004-2008.
- Both for girls in the most deprived areas and girls in average areas, the rate of under age conception has fallen in recent years.

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### **Levels and trend in Wales**

#### **Conceptions per 1,000 girls aged 13 to 15**



6.19 This indicator looks at conceptions among 13 to 15 year old girls by deprivation quintile. The figure is a five year average.

6.20 In the five years to 2004, the rate of conception was 13.1 per 1,000 girls aged 13 to 15 in the most deprived quintile and 7.5 per 1,000 in the middle deprived quintile, implying that girls in the most deprived fifth had a conception rate 1.75 times higher than girls in the middle deprived fifth. By 2008, the conception rate had fallen to 12 per 1,000 in the least deprived area, but had remained fairly stable at about 7.2 per 1,000 in the middle deprived fifth. As a result the ratio (1.7) in 2004-08 had also remained similar to 2000-04.

### ***Relevant policies***

- Sexual Health and Wellbeing Action Plan, 2010-15.
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### ***Definition***

6.21 Conceptions are maternities (the number of pregnant women who give birth) plus abortions and this information is obtained from administrative sources: abortion notifications and birth registrations. They include all the pregnancies of women usually resident in England and Wales which lead to one of the following outcomes:

- a maternity at which one or more live births or stillbirths occur, which is registered in England and Wales
- a termination of a pregnancy by abortion under the 1967 Act, which takes place in England and Wales. Pregnancies which lead to spontaneous abortions (that is, miscarriages) are not included.

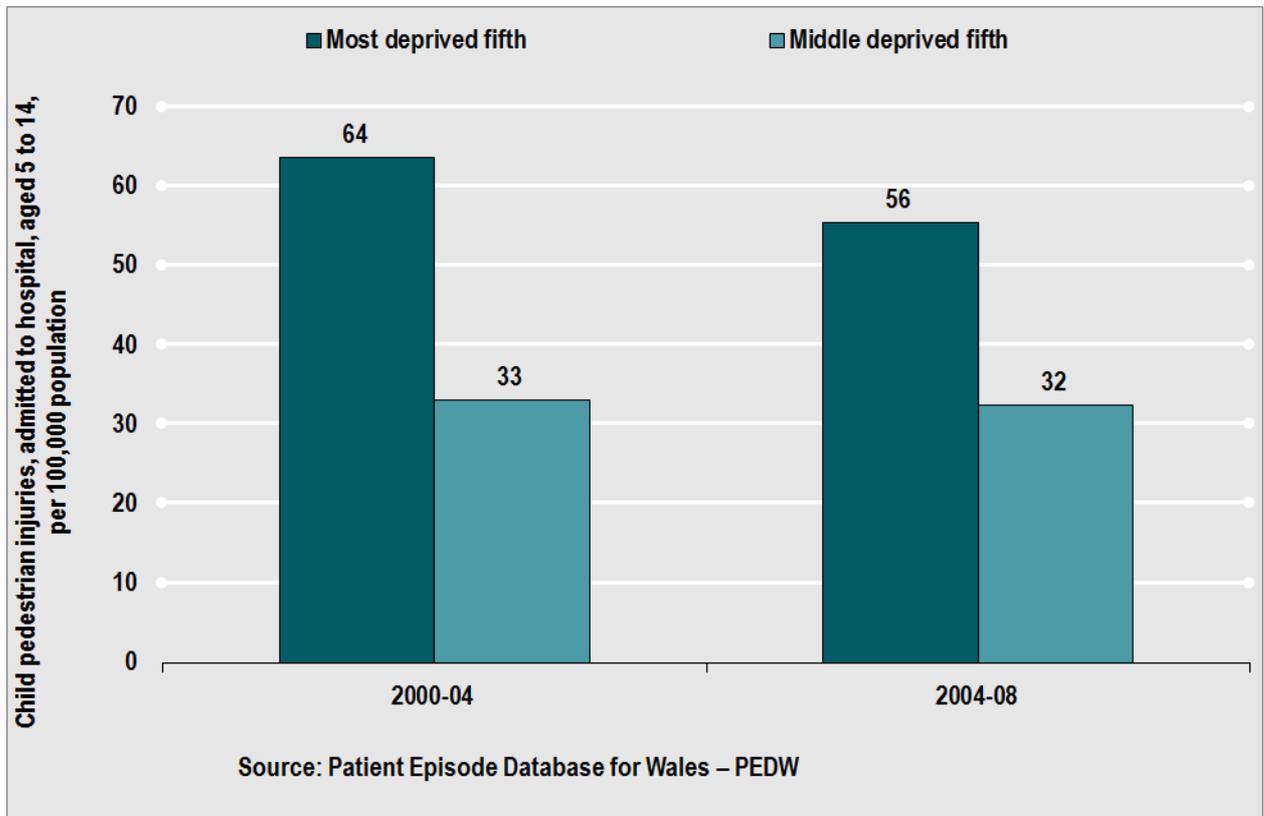
### ***Pedestrian injuries 5-14 year olds (hospital inpatient)***

#### ***Key points***

- The hospital inpatient rate for children injured as pedestrians in the most deprived fifth was slightly lower in 2004-08 than in 2000-04, but remained static in the middle deprived fifth. As a result the ratio between the groups showed little change.
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## Levels and trend in Wales

### Rate per 100,000 population child pedestrian injuries by deprivation quintiles



6.22 This indicator looks at the rate of pedestrian injuries, as measured by hospital admissions, by deprivation quintiles. The figure is an average over five years.

6.23 In 2004-08, the hospital inpatient rate for children injured as pedestrians in the most deprived fifth was 56 per 100,000, slightly lower than the 64 per 100,000 in 2000-2004. The corresponding rates for the middle deprived fifth were 32 and 33 per 100,000: broadly unchanged. The ratio between the two groups in 2004-08 was 1.7, compared with 1.9 four years earlier. Though there was a small decline in the ratio, it is difficult to assess whether this change was statistically significant.

### Relevant Policies

- Safe Routes to Schools, 1999, replaced by a new Safe Routes in Communities Programme initiative in 2008-09
- Children's Traffic Club – sponsored by the Welsh Government

- Kerbcraft child pedestrian training – sponsored by the Welsh Government

## ***Children killed or seriously injured in road accidents***

### ***Levels and trend in Wales***

6.24 In 2006, about 144 children were killed or seriously injured in road accidents in Wales. This figure was down to 92 in 2012. Thus there has been a small decrease of about 36% in the number of children killed or seriously injured in road accidents.

### ***Relevant Policies***

- Safe Routes to Schools, 1999, replaced by a new Safe Routes in Communities Programme initiative in 2008-09.

## **7 Appendix – List of relevant policies (alphabetical order)**

<b>Year</b>	<b>Policy</b>	<b>Explanation</b>
2009 - 2013	Access to financial services through Credit Unions project	The Welsh Government has provided significant support to Credit Unions in Wales in their role as affordable credit providers, often to families on low incomes.
2001	Communities First	This was the Welsh Assembly Government's flagship policy to tackle issues in deprived areas. The aim of the programme was to set up partnerships for all areas of deprivation (identified through the Welsh Index of Multiple Deprivation) in order to reduce deprivation and increase life chances for all in the community.
2008	Designed to Smile	Designed to Smile was a national child oral health improvement programme. The core programme had two main parts, a supervised tooth brushing scheme for 3-5 year olds and a promotional programme for 6-11 year olds.
2010	Economic Renewal: A New Direction	This is the Welsh Assembly Government's Economic Development Strategy and aims to create the conditions in which business can thrive. One priority of the ERP is 'broadening and deepening the skills base'. The programme recognises a need to increase efforts to help those who are disengaged in order to reduce inactivity and worklessness.
	Education Maintenance Allowances	The Welsh Government is maintaining EMAs in Wales and is currently considering proposals to extend EMAs to learners on the successor programme to Skill Build for young people (i.e. Traineeships) from 2012.
	European Social Fund projects	These work alongside and around the national "Work Programme" led by Jobcentre Plus and its contractors. These projects target client groups identified in the Programmes, and help individuals address a range of often multiple barriers to employment e.g. readiness for work, health needs, transport or childcare barriers.

<b>Year</b>	<b>Policy</b>	<b>Explanation</b>
2012	Families First	Families First is the Welsh Government's key programme for designing better support for families living in poverty, with emphasis on preventative and protective stages. The type of services funded by this programme at the local level will be based on each authority's local needs assessment.
2009	Financial Inclusion Strategy	The overall aim of this Strategy (and the Action Plan) is to facilitate a joint-agency response to financial inclusion that will improve the current financial landscape - including awareness-raising, financial capability, advice on income maximisation and money management, specialist debt counselling, accessible savings opportunities and access to mainstream banking and sources of affordable credit through third sector lenders.
2006	Flying Start	This initiative was targeted at 0-3 year olds in the most disadvantaged communities in Wales. It aimed at increasing the life chances of children and families in disadvantaged areas by funding free childcare, health visiting, parenting programmes and basic skills development.
2004-2008	Genesis Wales	A project addressing barriers such as lack of childcare support, transport accessibility, debt, alcohol and drug misuse, and work-limiting health conditions. It is meant to help build confidence and make people ready for work. Genesis Wales 2 was launched from 2008 to 2014.
2005	Integrated Children's Centres	Integrated Children's Centres (ICC) are based on the concept of providing an integrated service to secure good outcomes for children and their parents and thus ensure the best start in life. Each centre provides open access play, early years education, high quality childcare, community training and other vital family support services.
2006-2007 to 2008-2009	Raising Attainment and Individual Standards in Education (RAISE)	This was a Welsh Assembly Government programme addressing the link between socio-economic disadvantage and pupils' under-achievement in Wales. It provided targeted investment to improve the educational attainment of disadvantaged children in schools where 20% or more of children are eligible for free school meals.
1999	Safe Routes to Schools	This was replaced by a new Safe Routes in Communities Programme initiative in 2008-09 – the initiative aims at improving road safety and reduce child casualties, improving children's health and development and reducing traffic congestion and pollution.
2008	School Effectiveness Framework	The School Effectiveness Framework (SEF) is the overarching policy that seeks to transform educational standards and provision in Welsh schools based on tri-level reform into action (schools, local authorities and the Welsh Assembly Government). The SEF is focused on three inter-related priorities: improving literacy levels; improving numeracy levels; and reducing the impact of poverty on educational attainment.
2009-2011	School Gates Employment Support Initiative in Blaenau Gwent and Merthyr Tydfil	This targeted second potential earners in and around their children's primary school. The project delivers a package of advice, guidance and support alongside informal training and childcare provision.
2010-2015	Sexual Health and Well-being Action Plan	A new Teenage Pregnancy Grant Scheme was launched which includes targeted intervention for those most vulnerable to teenage pregnancy, and addresses the wider determinants of teenage pregnancy through the reduction of child poverty, raising the standard of education and the provision of good quality youth services.

<b>Year</b>	<b>Policy</b>	<b>Explanation</b>
2011	Steps to Employment	A programme for adults 18+ who are not in employment, it offers two defined options: 1. Work Focused Training and 2. Route - Ways to Work.
2009-2019	Ten Year Homelessness Plan for Wales	This plan sets out the guiding principles for the development and delivery of homelessness services in Wales.
2012	Tobacco Action Plan	This proposes actions to address the cessation of smoking needs of priority groups including those around smoking in pregnancy which supports the child poverty targets on infant mortality and low birth weight babies.
2005	The Childcare Strategy	This was followed by a new strategy in 2011.
2005	The Child Poverty Strategy	Overarching strategy for all aspects of child poverty.
2010-2015	The Employer Pledge Programme	Part of the Welsh Government's Basic Skills in the Workplace Project seeks to raise levels of basic skills in the employed workforce through increased and enhanced basic skills support within the workplace. Working in partnership with employers, the projects will raise awareness of the benefits of a skilled workforce and will provide additional support to address identified basic skills needs.
2006	The Healthy Start Scheme	This provides a nutritional safety net to children under the age of four and to pregnant women who are in receipt of certain benefits.
2010-2011	The Pathways to Apprenticeship	Open to 16-24 year olds and suited to new school leavers, under this pilot individuals can spend up to a year on a full-time intensive training programme to build up the skills required for a full apprenticeship once the training has been completed.
2007	The Primary School Free Breakfast Initiative	This initiative is intended to help improve the health and concentration of pupils, to assist in the raising of standards of learning and attainment.
2011	The Traineeship Programme	Following the Skillsbuild Programme, this is aimed at young people aged 16-17 who are not in employment and aims to reduce the number of NEETs, by improving young people's employable skills.
2009	The Young Recruits Programme	It supports employers by offering a financial incentive to recruit additional apprentices.
2010-2015	The Youth Entrepreneurship Strategy (YES)	This aims to support young people in Wales to realise their potential, whether it is setting up in business, working for someone else or doing something in the community.
2004-2008	Want2Work	This was a JobCentre Plus and Welsh Assembly Government programme piloted in five areas in Wales between 2004 and 2008. The programme employed a range of techniques in order to encourage people back into work. The programme was voluntary and focused upon people on incapacity benefit and therefore economically inactive.
	Welsh Network of Healthy School Schemes	Actions centre around promoting good health behaviours for children and families – related to nutrition, physical activity, sexual health, mental and emotional health and wellbeing, substance use and misuse, safety and hygiene.
2011-15	Youth Engagement and Employment Action Plan	This Action Plan replaces the NEETs Plan.

## Annex B: Summary of evidence: preventing poverty in the next generation

	<i>Quality of evaluation evidence</i>	<i>Coverage of evaluation</i>	<i>Relevance of programme/ evidence to CPS objectives</i>
Flying Start	Strong. Uses mix of qualitative case studies, and quasi-experimental impact design in Flying Start and comparison areas. Includes value for money assessment.	All 22 Flying Start areas covered. Surveys cover parents of $\leq 2$ year olds vs. programme covers parents $\leq 4$ year olds. Includes financial assessment.	Strong.
Integrated Children's Centres	Weak evidence from qualitative assessment in Wales. Evidence often subjective, and varies by local area. No hard data.	Moderate. Focussed on four ICCs out of 44 across Wales. Wide range of social/ cognitive outcomes covered, by impacts can only be identified and not quantified. No vfm assessment.	Highly relevant, and links to all three CPS objectives. Evidence base limited: evaluation recommended hard data collected by Centres themselves to aid ongoing evaluation of impact.
School Effectiveness Framework	Weak. Did not allow for assessment of system approach.	Moderate. Covered all 96 pilot schools, but did not address key policy questions about systems approach, nor value for money.	Moderate. Recommendations for roll-out made in final evaluation report.
Raising Achievement and Individual Standards in Education (RAISE)	Moderate. (Strong methodology, but evaluation ultimately unable to use school self-report data as intended)	Strong. 626 of 648 schools covered. Strong focus on impact on attainment. No value for money assessment.	Moderate. Evaluation identified weaknesses in the programme design, esp. around mistargeting of funds by schools, but learning about key success factors. Lack of learning about types of intervention that work most effectively at individual school level. Reports focussed on tackling child poverty and disadvantage.
Primary School Free Breakfast Initiative Cymorth	Strong. RCT alongside qualitative process evaluation.	Strong. All 111 schools involved in pilot involved. No value for money assessment.	Moderate. Primarily focussed on dietary impact. Found no impact on cognitive abilities or classroom behaviour, and no impact on breakfast skipping.
Families First	Moderate. Range of qualitative and monitoring data used. Monitoring data not suitable to limitations of monitoring data.	Moderate. Covered all partnerships, and a range of projects. Able to make conclusions about partnership working, but not about impact on children and young people. Vfm inconclusive due to lack of evidence.	Strong. Targeted interventions for children and young people. Evidence base limited to systems change, rather than providing evidence about approaches that work well for children and young people. Evaluation used to refine Families First design.
Integrated Family Support Service	Moderate. Pioneer stage evaluation complete. Ongoing process and impact evaluation of main programme, using mid of qualitative research and MI to measure impact. Main evaluation includes value for money assessment.	Moderate. Both pioneer and main evaluation focussed on process rather than impact on families. MI used to measure impact on families, but delays in setting up performance management frameworks. Main evaluation should include value for money assessment.	Strong. Families First designed to address all three CPS objectives, using tailored local approaches. Learning from the pioneer phase and Cymorth used to refine the national programme.
	Moderate. Qual/ quant process evaluation, and data collection from existing MI for impact evaluation. (Strong methodology but impact data unavailable). Focus on implementation and delivery, rather than impact.	Strong. All pioneer IFSS sites covered, and attempts for sites to collect standard MI to use in impact evaluation. Original value for money assessment was planned, but later removed from evaluation terms of reference.	Moderate. IFSS was rolled out before evaluation complete, and therefore evaluation now focussed on process rather than impact. Underlying assumption that children's outcomes are improved if they remain with families (rather than enter care) remains untested.

Source: Ipsos MORI

## Annex C: Summary of evidence: helping people out of poverty

	<i>Quality of evaluation evidence</i>	<i>Coverage of evaluation</i>	<i>Relevance of programme/ evidence to CPS objectives</i>
Welsh Government Economic Development Strategy: Economic Renewal Jobs Growth Wales	Strategy document. Outputs and economic outcomes recorded for all projects and collected annually. No evidence at strategy level.	Current KPIs have economic focus and do not measure CPS-relevant outcomes (e.g. outputs broken down for parents/ non-parents)	Highly relevant. Aims to broaden and deepen the skills base, through helping people into work, raising youth engagement and employment, and driving economic progress.
European Social Fund	Strong. Uses treatment and comparison group to assess impact, alongside routinely collected monitoring information.	Covers all five strands of the programme, and measures of process and impact. Will enable analysis of subgroups of NEET target group.	Highly relevant: focuses on job creation for NEETs, and evaluation evidence should allow analysis of what works for different subgroups of NEETs.
Educational Maintenance Allowance (EMA)	Covers many programmes, some of which are evaluated separately (e.g. Jobs Growth Wales). Monitoring and evaluation carried out for individual programmes. Aggregated output data only at overall fund level and these are not net output figures (they don't consider what would have happened in the absence of the interentions).	Covers many programmes, some of which are evaluated. Monitoring and evaluation carried out for individual programmes funded.	Currently focuses on outputs and economic outcomes, and do not incorporate CPS-relevant outcomes (e.g. outputs broken down for parents/ non-parents)
Youth Engagement and Employment Action Plan Integrated Children's Centres	Weak (for Wales), Strong (England). Welsh evaluation based on qualitative feedback from learners and practitioners. UK evaluation used comparison group.	England evaluation evidence used large-scale and robust administrative data and comparison groups to detect impact.	Highly relevant: UK quantitative impact evaluation showed increase of c.6 percentage points in learners from low-income households staying in education. Also associated with lower drop-out rates and attendance/ engagement.
Communities First	Strategy document covers many programmes, some of which may be evaluated. No evidence at plan level.	Strategy document covers many programmes, some of which may be evaluated.	Highly relevant. Aims to reduce the number of young people who are/ who are at risk of becoming NEET.
	Weak. Qualitative impact assessment. Evidence often subjective, and varies by local area. No hard data.	Moderate. Focussed on four ICCs out of 40+ across Wales. Wide range of social/ cognitive outcomes covered, but impacts can only be identified, not quantified.	Highly relevant, and links to all three CPS objectives. Evidence base limited: evaluation recommended hard data collected by Centres themselves to aid ongoing evaluation of impact.
	Moderate. Wide range of evidence sources considered to assess process and impact, but counterfactual imperfect. Limited by diversity and soft nature of programme impacts. Positive though limited impact on worklessness in CF areas. Some impacts in terms of improved maintenance standards, small-scale environmental improvements, reduction in anti-social behaviour and increased youth diversion activities. Positive benefits derived from the programme represent reasonable value for money.	Moderate: case studies in 25 areas, and use of performance management data. Detailed case studies in 25 areas only. Able to make strong set of recommendations to inform the review of Communities First. No value for money assessment.	Highly relevant programme, but evidence of impact is limited so far. Individual programmes funded vary in the extent to which they address CPS-relevant objectives. Redefined programme arrangements will address limitations by tightening management structure, collecting clearer evidence, specifying clearer outcome goals, and streamlining number of CF areas.

Source: Ipsos MORI

## Annex D: Summary of evidence: mitigating the impact of poverty

	<i>Quality of evaluation evidence</i>	<i>Coverage of evaluation</i>	<i>Relevance of programme/ evidence to CPS objectives</i>
Integrated Family Support Service (IFSS)	Moderate. Qual/ quant process evaluation, and data collection from existing MI for impact evaluation. (Strong methodology but impact data unavailable). Focus on implementation and delivery, rather than impact.	Strong. All pioneer IFSS sites covered, and attempts for sites to collect standard MI to use in impact evaluation. No value for money assessment.	Moderate. IFSS was rolled out before evaluation complete, and therefore evaluation now focussed on process rather than impact. Underlying assumption that children's outcomes are improved if they remain with families (rather than enter care) remains untested.
Cymorth	Moderate. Range of qualitative and monitoring data used. Monitoring data not suitable to limitations of monitoring data.	Moderate. Covered all partnerships, and a range of projects. Able to make conclusions about partnership working, but not about impact on children and young people. Value for money assessment inconclusive due to lack of evidence.	Strong. Targeted interventions for children and young people. Evidence base limited to systems change, rather than providing evidence about approaches that work well for children and young people. Evaluation used to refine Families First design.
Families First	Moderate. Pioneer stage evaluation complete. Ongoing process and impact evaluation of main programme, using mix of qualitative research and MI to measure impact. Main evaluation includes value for money assessment.	Moderate. Both pioneer and main evaluation focussed on process rather than impact on families. MI used to measure impact on families, but delays in setting up performance management frameworks. Value for money assessment will be conducted on main evaluation.	Strong. Families First designed to address all three CPS objectives, using tailored local approaches. Learning from the pioneer phase and Cymorth used to refine the national programme.
Flying Start	Strong. Uses mix of qualitative case studies, and quasi-experimental impact design in Flying Start and comparison areas. Includes value for money assessment.	All 22 Flying Start areas covered. Surveys cover parents of $\leq 2$ year olds vs. programme covers parents $\leq 4$ year olds.	Strong.
Healthy Start	Moderate. Routine monitoring of uptake and awareness among professionals, plus surveys of beneficiaries and retailers. No framework to assess impact on maternal/ child health.	Moderate. Routine monitoring data covering uptake covering all. Annual equality impact assessment to monitor access. Value for money considered good: small cost to provide assistance to large number of low-income families.	Moderate. Fits early intervention model as well as mitigating the impact of poverty.
Strengthening families	Strong. Randomised Controlled Trial has been set up (trial evidence not seen)	750 families included in the Trial.	Moderate. Uses early intervention model to prevent children developing substance misuse problems.

	<i>Quality of evaluation evidence</i>	<i>Coverage of evaluation</i>	<i>Relevance of programme/ evidence to CPS objectives</i>
Youth Mental Health First Aid	Moderate. Data based on post-course feedback forms from only 160 course participants. International evaluation evidence relating to model.	Welsh Government evaluation limited to post-course feedback. International data review impact of training model.	Moderate. Links between poverty and poor mental health.
Sexual Health & Well-being Action Plan 2010-2015	No national evaluation on the plan. Evaluation of one element, LARC, has been carried out.	No evaluation of plan carried out. Statistical data only.	Moderate. Links between poverty and early sexual activity/ higher rates of teenage pregnancies.
Credit Unions	Moderate. First phase evaluation focussed on access; second phase will focus on impact and effectiveness.	Moderate. First phase evidence limited due to ill-defined local targets and a lack of comparability across Credit Unions. More strategic approach taken to second stage evaluation, which will include stronger impact measures, financial performance assessment.	Moderate.
Ten Year Homelessness Plan	Weak. Based only on statistical releases.	No evaluation of plan carried out. Statistical data only.	Moderate. Secure housing conditions associated with better outcomes across several areas, such as health, education etc.
Communities First	Moderate. Wide range of evidence sources considered to assess process and impact, but no counterfactual. Limited by diversity and soft nature of programme impacts. Value for money not assessed, and evidence not able to inform judgement of impact.	Moderate: case studies in 25 areas, and use of performance management data. Detailed case studies in 25 areas only. Able to make strong set of recommendations to inform the review of Communities First. Value for money not assessed.	Highly relevant programme, but evidence of impact is limited so far. Individual programmes funded vary in the extent to which they address CPS-relevant objectives. Redefined programme arrangements will address limitations by tightening management structure, collecting clearer evidence, specifying clearer outcome goals, and streamlining number of CF areas.

Source: Ipsos MORI